

AMENDED IN ASSEMBLY MARCH 15, 2006
AMENDED IN ASSEMBLY SEPTEMBER 2, 2005
AMENDED IN ASSEMBLY JUNE 14, 2005

SENATE BILL

No. 69

Introduced by ~~Committee on Budget and Fiscal Review~~ Senator
Perata and Assembly Member Nunez

January 14, 2005

An act to amend Sections ~~711.4, 8043, 8053, and 15003~~ of, and to add Sections ~~7716 and 7718~~ to, the Fish and Game Code, and to amend Section ~~42889~~ of the Public Resources Code, relating to environmental quality, and making an appropriation therefor. *17070.40, 17072.35, 17075.10, 17078.52, 17078.53, 17078.54, 17078.56, 17078.58, 17261, and 81130.3* of, to add Sections *17070.96, 17072.11, and 81052* to, to add Article 13 (commencing with Section *17078.70*) and Article 14 (commencing with Section *17079*) to Chapter 12.5 of Part 10 of, and to add Part 69 (commencing with Section *101000*) and Part 69.2 (commencing with Section *102000*) to, the Education Code, to amend Section *65997* of the Government Code, to amend Section 4 of Chapter 421 of the Statutes of 2001, and to amend Section 4 of Chapter 637 of the Statutes of 2002, relating to education facilities, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 69, as amended, ~~Committee on Budget and Fiscal Review Perata. Environmental Quality. Education facilities bond acts: 2006 and 2008.~~

(1) Existing law, the California Constitution, prohibits the Legislature from creating a debt or liability that singly or in the aggregate with any previous debts or liabilities exceeds the sum of \$300,000, except by an act that (a) authorizes the debt for a single object or work specified in the act, (b) has been passed by a $\frac{2}{3}$ vote of all the members elected to each house of the Legislature, (c) has been submitted to the people at a statewide general or primary election, and (d) has received a majority of all the votes cast for and against it at that election.

Existing law, the Leroy F. Greene School Facilities Act of 1998, requires the State Allocation Board to allocate to applicant school districts, prescribed per-unhoused-pupil state funding for construction and modernization of school facilities, including hardship funding, and supplemental funding for site development and acquisition.

(2) This bill would enact the Kindergarten-University Public Education Facilities Bond Act of 2006 to authorize \$10,416,000,000 of state general obligation bonds to provide aid to school districts, county superintendents of schools, county boards of education, the California Community Colleges, the University of California, the Hastings College of Law, and the California State University to construct and modernize education facilities.

The bond act would become operative only if approved by the voters at the June 6, 2006, statewide primary election, and would provide for its submission to the voters at that election.

The bill would also submit to the voters for approval an authorization to use the proceeds of any bond act approved on or before January 1, 2006, that are designated for joint-use facilities to be used for other related school facilities projects.

(2) This bill would specify that certain provisions of the bill shall become operative only if the Kindergarten-University Public Education Facilities Bond Act of 2006 is approved by the voters at the June 6, 2006, statewide primary election.

(3) The bill would exempt the bond provisions described above from certain provisions of existing law relating to elections.

(4) This bill would enact the Kindergarten-University Public Education Facilities Bond Act of 2008, to become operative only if approved by the voters at the November 4, 2008, statewide general election, and would provide for the submission of that act to the voters at that election. The bond act, if approved by the voters, would provide for the issuance of \$9,087,000,000 of state general obligation bonds to provide aid to school districts, county superintendents of schools, and county boards of education, the California Community Colleges, the University of California, the Hastings College of Law, and the California State University to construct and modernize education facilities.

(5) The bill would make conforming, technical changes in related provisions of existing law.

(6) The bill would declare that it is to take effect immediately as an urgency statute.

~~(1) Existing law requires the Department of Fish and Game to collect filing fees for departmental actions relating to projects subject to the California Environmental Quality Act. Existing law requires the department to review the filing fees annually and to recommend adjustments in the fees to the Legislature in an amount necessary to pay the full costs of department programs, as specified.~~

~~This bill would modify the adjustment of filing fees by requiring the department to adjust the filing fees annually pursuant to a specified existing formula for the adjustment of fees for licenses, stamps, permits, and tags issued by the department.~~

~~(2) Existing law excuses the payment of a filing fee by a proponent of a proposed project if the lead or certified regulatory program agency finds that the project meets specified conditions.~~

~~This bill would require the department's concurrence with the lead or certified regulatory program finding that a proposed project meets specified conditions, before the proponent of a proposed project is excused from the payment of a filing fee.~~

~~The bill would require the department to charge a fee for each filing, in an amount not to exceed the actual handling costs for all projects, unless excused because the lead or certified regulatory program agency finds, and the department concurs, that the project meets specified conditions. The bill would require the department to propose an alternative fee schedule on or before March 1, 2006, for adoption by the Legislature. The department would be required, in its proposal for a revised fee schedule, to reasonably categorize projects subject to~~

its review and determine a fee for each category so that total revenues collected to annually cover the costs of the department in reviewing the projects. The fee schedule developed by the department, upon adoption by the Legislature, would replace the fees required for specified projects.

~~(3) Existing law requires county clerks and the Office of Planning and Research to maintain records of environmental documents, as specified, and to remit filing fees to the department. County clerks are authorized to charge a documentary handling fee of \$25 for filings, as specified.~~

~~This bill would instead limit the amount that county clerks are authorized to charge for filings, as specified, to an amount not to exceed actual handling costs.~~

~~(4) Existing law regulating commercial fishing imposes, or authorizes the imposition of, various license, permit, and registration fees. Existing law requires specified persons to pay landing taxes quarterly, based on a rate schedule applicable to specified aquatic species.~~

~~This bill would require the department, not later than January 1, 2007, to prepare and submit to the Legislature a proposed plan to change the imposition of landing taxes as required by existing law to a uniform ad valorem rate applied to all species of fish landed in this state.~~

~~The bill would require the department to periodically review and either revise, or recommend revisions of, commercial fishing license fees, permit fees, and registration fees, for the purpose of ensuring that fees are collected, to the extent practicable, in an amount equal to the department's costs associated with the issuance of licenses, permits, and registrations and the oversight of the permitted activities.~~

~~The bill would require a report to be submitted with the quarterly landing tax payment reporting the total number of pounds of each species of fish delivered or landed, the average price per pound paid or received for fish landed, and the amount of tax due for each species of fish.~~

~~(5) Existing law authorizes the department to assess a fee on persons growing aquaculture products on public lands and in public waters based on the price per pound of the products sold, set at amounts necessary to defray certain costs of the Fish and Game Commission and the department, subject to a specified cap. The fees required to be paid monthly, as prescribed.~~

~~This bill would, instead, require the fee to be set for each species at the same rate for that species as specified in the rate schedule described above, and would require the fee to be paid quarterly. The bill would require the fee to be subject to the same reporting requirement imposed on landing taxes as described above.~~

~~(6) Existing law imposes a California tire fee on every person who purchases a new tire, the revenue from which is used for prescribed purposes related to the disposal and use of used tires. Under existing law, the tire fee is \$1.75 per tire on and after January 1, 2005, and, commencing January 1, 2007, is reduced to \$1.50 thereafter. Existing law requires that, commencing January 1, 2005, and until December 31, 2006, of the revenues generated by the imposition of the fee, an amount equal to 75¢ per tire on which the fee is imposed be deposited in the Air Pollution Control Fund for use by the State Air Resources Board and the air pollution control districts and air quality management districts to fund programs and projects that mitigate or remediate air pollution caused by tires in the state, to the extent that the state board or an applicable district determines that the program or project mitigates or remediates air pollution harms created by tires upon which the California tire fee is imposed. Existing law decreases the amount to be deposited in the Air Pollution Control Fund, commencing January 1, 2007, to an amount equal to 50¢ per tire on which the fee is imposed and requires the remaining revenues resulting from the imposition of the tire fee to be deposited in the California Tire Recycling Management Fund for use to fund the existing waste tire program.~~

~~This bill would modify those provisions to require that, commencing January 1, 2005, of the revenues generated by the imposition of the fee, an amount equal to 75¢ per tire on which the fee is imposed be deposited in the Air Pollution Control Fund for use by the state board and the districts to fund programs and projects that mitigate or remediate air pollution caused by tires in the state. The bill would correspondingly delete the provision decreasing the amount to be deposited in the Air Pollution Control Fund, commencing January 1, 2007, to an amount equal to 50¢ per tire, as provided.~~

~~(7) Under existing law, the State Water Resources Control Board and the California regional water quality control boards prescribe waste discharge requirements for the discharge of waste in accordance with the federal national pollutant discharge elimination system (NPDES) permit program established by the Clean Water Act and the~~

~~Porter-Cologne Water Quality Control Act. Existing law establishes the Waste Discharge Permit Fund and, upon appropriation, authorizes the use of the moneys in the fund to carry out the act.~~

~~This bill would require the Controller to identify fee revenue in the fund and would appropriate \$4,500,000 of that fee revenue to the state board to carry out the NPDES permit program in accordance with the act.~~

Vote: ~~majority~~^{2/3}. Appropriation: ~~yes~~^{no}. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 17070.40 of the Education Code is
 2 amended to read:
 3 17070.40. (a) (1) A fund is hereby established in the State
 4 Treasury to be known as the 1998 State School Facilities Fund.
 5 All money in the fund, including any money deposited in that
 6 fund from any source whatsoever, and notwithstanding Section
 7 13340 of the Government Code, is hereby continuously
 8 appropriated without regard to fiscal years for expenditure
 9 pursuant to this chapter.
 10 (2) The State Allocation Board may apportion funds to school
 11 districts for the purposes of this chapter from funds transferred to
 12 the 1998 State School Facilities Fund from any source.
 13 (3) The board may make apportionments in amounts not
 14 exceeding those funds on deposit in the 1998 State School
 15 Facilities Fund, and any amount of bonds authorized by the
 16 committee, but not yet sold by the Treasurer.
 17 (4) The board may make disbursements pursuant to any
 18 apportionment made from any funds in the 1998 State School
 19 Facilities Fund, irrespective of whether there exists at the time of
 20 the disbursement an amount in the 1998 State School Facilities
 21 Fund sufficient to permit payment in full of all apportionments
 22 previously made. However, no disbursement shall be made from
 23 any funds required by law to be transferred to the General Fund.
 24 (b) (1) A fund is hereby established in the State Treasury to
 25 be known as the 2002 State School Facilities Fund. All money in
 26 the fund, including any money deposited in that fund from any
 27 source whatsoever, and notwithstanding Section 13340 of the

Government Code, is hereby continuously appropriated without regard to fiscal years for expenditure pursuant to this chapter.

(2) The State Allocation Board may apportion funds to school districts for the purposes of this chapter from funds transferred to the 2002 State School Facilities Fund from any source.

(3) The board may make apportionments in amounts not exceeding those funds on deposit in the 2002 State School Facilities Fund, and any amount of bonds authorized by the committee, but not yet sold by the Treasurer.

(4) The board may make disbursements pursuant to any apportionment made from any funds in the 2002 State School Facilities Fund, irrespective of whether there exists at the time of the disbursement an amount in the 2002 State School Facilities Fund sufficient to permit payment in full of all apportionments previously made. However, no disbursement shall be made from any funds required by law to be transferred to the General Fund.

(c) (1) A fund is hereby established in the State Treasury to be known as the 2004 State School Facilities Fund. All money in the fund, including any money deposited in that fund from any source whatsoever, and notwithstanding Section 13340 of the Government Code, is hereby continuously appropriated without regard to fiscal years for expenditure pursuant to this chapter.

(2) The State Allocation Board may apportion funds to school districts for the purposes of this chapter from funds transferred to the 2004 State School Facilities Fund from any source.

(3) The board may make apportionments in amounts not exceeding those funds on deposit in the 2004 State School Facilities Fund, and any amount of bonds authorized by the committee, but not yet sold by the Treasurer.

(4) The board may make disbursements pursuant to any apportionment made from any funds in the 2004 State School Facilities Fund, irrespective of whether there exists at the time of the disbursement an amount in the 2004 State School Facilities Fund sufficient to permit payment in full of all apportionments previously made. However, no disbursement shall be made from any funds required by law to be transferred to the General Fund.

(d) (1) A fund is hereby established in the State Treasury, to be known as the 2006 State School Facilities Fund. All money in the fund, including any money deposited in that fund from any source whatsoever, and notwithstanding Section 13340 of the

1 *Government Code, is hereby continuously appropriated without*
2 *regard to fiscal years for expenditure pursuant to this chapter.*

3 *(2) The State Allocation Board may apportion funds to school*
4 *districts for the purposes of this chapter from funds transferred*
5 *to the 2006 State School Facilities Fund from any source.*

6 *(3) The board may make apportionments in amounts not*
7 *exceeding those funds on deposit in the 2006 State School*
8 *Facilities Fund, and any amount of bonds authorized by the*
9 *committee, but not yet sold by the Treasurer.*

10 *(4) The board may make disbursements pursuant to any*
11 *apportionment made from any funds in the 2006 State School*
12 *Facilities Fund, irrespective of whether there exists at the time of*
13 *the disbursement an amount in the 2006 State School Facilities*
14 *Fund sufficient to permit payment in full of all apportionments*
15 *previously made. However, no disbursement shall be made from*
16 *any funds required by law to be transferred to the General Fund.*

17 *(e) (1) A fund is hereby established in the State Treasury, to*
18 *be known as the 2008 State School Facilities Fund. All money in*
19 *the fund, including any money deposited in that fund from any*
20 *source whatsoever; and notwithstanding Section 13340 of the*
21 *Government Code, is hereby continuously appropriated without*
22 *regard to fiscal years for expenditure pursuant to this chapter.*

23 *(2) The State Allocation Board may apportion funds to school*
24 *districts for the purposes of this chapter from funds transferred*
25 *to the 2008 State School Facilities Fund from any source.*

26 *(3) The board may make apportionments in amounts not*
27 *exceeding those funds on deposit in the 2008 State School*
28 *Facilities Fund, and any amount of bonds authorized by the*
29 *committee, but not yet sold by the Treasurer.*

30 *(4) The board may make disbursements pursuant to any*
31 *apportionment made from any funds in the 2008 State School*
32 *Facilities Fund, irrespective of whether there exists at the time of*
33 *the disbursement an amount in the 2008 State School Facilities*
34 *Fund sufficient to permit payment in full of all apportionments*
35 *previously made. However, no disbursement shall be made from*
36 *any funds required by law to be transferred to the General Fund.*

37 *SEC. 2. Section 17070.96 is added to the Education Code, to*
38 *read:*

39 *17070.96. As part of its application for funding under this*
40 *chapter, a school district shall certify that it has considered the*

1 *feasibility of using designs and materials for the construction or*
2 *modernization project that promote the efficient use of energy*
3 *and water, the maximum use of natural lighting and indoor air*
4 *quality, the use of recycled materials and materials that emit a*
5 *minimum of toxic substances, the use of acoustics conducive to*
6 *teaching and learning, and other characteristics of high*
7 *performance schools.*

8 *SEC. 3. Section 17072.11 is added to the Education Code, to*
9 *read:*

10 *17072.11. (a) All of the following shall apply on and after*
11 *July 1, 2006, until January 1, 2008:*

12 *(1) The per-unhoused-pupil grant eligibility determined under*
13 *paragraphs (1) and (2) of subdivision (a) of Section 17072.10*
14 *shall be increased by 7 percent.*

15 *(2) The per-unhoused-pupil grant eligibility determined*
16 *under paragraph (3) of subdivision (a) of Section 17072.10 shall*
17 *be increased by 4 percent.*

18 *(3) The board shall conduct an analysis of the relationship*
19 *between the per-unhoused-pupil grant eligibility determined*
20 *under this article and the per pupil cost of new school*
21 *construction for elementary, middle, and high school pupils.*

22 *(b) On or after January 1, 2008, the board shall increase or*
23 *decrease the per-unhoused-pupil grant eligibility by amounts it*
24 *deems necessary to cause the grants to correspond to costs of*
25 *new school construction, provided that the increase in any fiscal*
26 *year pursuant to this section shall not exceed 6 percent.*

27 *SEC. 4. Section 17072.35 of the Education Code is amended*
28 *to read:*

29 *17072.35. A grant for new construction may be used for any*
30 *and all costs necessary to adequately house new pupils in any*
31 *approved project, and those costs may only include the cost of*
32 *design, engineering, testing, inspection, plan checking,*
33 *construction management, site acquisition and development,*
34 *evaluation and response action costs relating to hazardous*
35 *substances at a new or existing schoolsite, demolition,*
36 *construction, acquisition and installation of portable classrooms,*
37 *landscaping, necessary utility costs, utility connections and other*
38 *fees, equipment including telecommunication equipment to*
39 *increase school security, furnishings, and the upgrading of*
40 *electrical systems or the wiring or cabling of classrooms in order*

1 to accommodate educational technology. A grant for new
2 construction may also be used to acquire an existing government
3 or privately owned building, or a privately financed school
4 building, and for the necessary costs of converting the
5 government or privately owned building for public school use. *A*
6 *grant for new construction may also be used for the costs of*
7 *designs and materials that promote the efficient use of energy*
8 *and water, the maximum use of natural lighting and indoor air*
9 *quality, the use of recycled materials and materials that emit a*
10 *minimum of toxic substances, the use of acoustics conducive to*
11 *teaching and learning, and other characteristics of high*
12 *performance schools.*

13 SEC. 5. Section 17075.10 of the Education Code is amended
14 to read:

15 17075.10. (a) A school district may apply for hardship
16 assistance in cases of extraordinary circumstances. *Extraordinary*
17 *circumstances may include, but are not limited to, the need to*
18 *repair, reconstruct, or replace the most vulnerable school*
19 *facilities, that are a Category 2 building, as defined in the report*
20 *pursuant to Section 17317, determined by the department to pose*
21 *an unacceptable risk of injury to its occupants in the event of a*
22 *seismic event.*

23 (b) A school district applying for hardship state funding under
24 this article shall comply with either paragraph (1) or (2).

25 (1) Demonstrate both of the following:

26 (A) That due to extreme financial, disaster-related, or other
27 hardship the school district has unmet need for pupil housing.

28 (B) That the school district is not financially capable of
29 providing the matching funds otherwise required for state
30 participation, that the district has made all reasonable efforts to
31 impose all levels of local debt capacity and development fees,
32 and that the school district is, therefore, unable to participate in
33 the program pursuant to this chapter except as set forth in this
34 article.

35 (2) Demonstrate that due to unusual circumstances that are
36 beyond the control of the district, excessive costs need to be
37 incurred in the construction of school facilities. *Funds for the*
38 *purpose of seismic mitigation work or facility replacement*
39 *pursuant to this section shall be allocated by the board on a 50*
40 *percent state share basis from any funds reserved for that*

1 *purpose in any bond approved by the voters after January 1,*
2 *2006. If the board determines that the seismic mitigation work of*
3 *a school building would require funding that is greater than 50*
4 *percent of the funds required to construct a new facility, the*
5 *school district shall be eligible for funding to construct a new*
6 *facility under this chapter.*

7 (c) The board shall review the increased costs that may be
8 uniquely associated with urban construction and shall adjust the
9 per-pupil grant for new construction, or modernization, hardship
10 applications as necessary to accommodate those costs. The board
11 shall adopt regulations setting forth the standards, methodology,
12 and a schedule of allowable adjustments, for the urban
13 adjustment factor established pursuant to this subdivision.

14 *SEC. 6. Section 17078.52 of the Education Code is amended*
15 *to read:*

16 17078.52. (a) There is hereby established the Charter
17 Schools Facilities Program to provide funding to qualifying
18 entities for the purpose of establishing school facilities for charter
19 school pupils.

20 (b) (1) The 2002 Charter School Facilities Account is hereby
21 established within the 2002 State School Facilities Fund
22 established pursuant to subdivision (b) of Section 17070.40. The
23 proceeds of bonds, as set forth in subparagraph (A) of paragraph
24 (1) of subdivision (a) of Section 100620, shall be deposited into
25 the 2002 Charter School Facilities Account for the purposes of
26 this article. Notwithstanding Section 13340 of the Government
27 Code, funds deposited into the account are hereby continuously
28 appropriated for the purposes of this article.

29 (e)

30 (2) The 2004 Charter School Facilities Account is hereby
31 established within the 2004 State School Facilities Fund
32 established pursuant to subdivision (c) of Section 17070.40. The
33 proceeds of bonds, as set forth in subparagraph (A) of paragraph
34 (1) of subdivision (a) of Section 100820, if approved by the
35 voters, shall be deposited into the 2004 Charter School Facilities
36 Account for the purposes of this article. Notwithstanding Section
37 13340 of the Government Code, funds deposited into the account
38 are hereby continuously appropriated for the purposes of this
39 article.

(3) *The 2006 Charter School Facilities Account is hereby established within the 2006 State School Facilities Fund established pursuant to subdivision (d) of Section 17070.40. The proceeds of bonds, as set forth in paragraph (3) of subdivision (a) of Section 101020, if approved by the voters, shall be deposited into the 2006 Charter School Facilities Account for the purposes of this article. Notwithstanding Section 13340 of the Government Code, funds deposited into the account are hereby continuously appropriated for the purposes of this article.*

(4) *The 2008 Charter School Facilities Account is hereby established within the 2008 State School Facilities Fund established pursuant to subdivision (e) of Section 17070.40. The proceeds of bonds, as set forth in paragraph (3) of subdivision (a) of Section 102020, if approved by the voters, shall be deposited into the 2008 Charter School Facilities Account for the purposes of this article. Notwithstanding Section 13340 of the Government Code, funds deposited into the account are hereby continuously appropriated for the purposes of this article.*

~~(d)~~

(c) As used in this article, the following terms have the following meanings:

(1) “Authority” means the California School Finance Authority established pursuant to Section 17172.

(2) “Account” means ~~the 2002 Charter School Facilities Account established within the 2002 State School Facilities Fund pursuant to subdivision (b) or the 2004 Charter School Facilities Account established within the 2004 State School Facilities Fund pursuant to~~ *pertinent account established under* ~~subdivision (e) (b).~~

(3) “Preliminary apportionment” means an apportionment made for eligible applicants under this article in advance of full compliance with all of the application requirements otherwise required for an apportionment pursuant to this chapter. The process for making preliminary apportionments under this article shall be substantially identical to the process established for critically overcrowded schools pursuant to Sections 17078.22 to 17078.30, inclusive.

(4) “Financially sound” means a charter school that has demonstrated, over a period of time determined by the authority, but not less than 24 months immediately preceding the

submission of the application, that it has operated as a financially capable concern in California, as measured by criteria established by the authority. A charter school that cannot demonstrate that it has been a financially capable concern for at least 24 months immediately preceding the submission of the application, due solely to not having operated as a charter school for at least 24 months, may meet this 24-month requirement if the charter school is managed by staff who have at least 24 months of documented experience, as measured by criteria established by the authority and the charter school has an educational plan, financial resources, facilities expertise, management expertise, and has been a financially capable concern for at least 24 months, as established by the authority.

(e)

(d) The State Allocation Board shall, from time to time, transfer funds within the account to the California School Finance Authority Fund for the purposes of this article pursuant to the request of the authority as set forth in this article.

SEC. 7. Section 17078.53 of the Education Code is amended to read:

17078.53. (a) The initial preliminary applications for projects to be funded pursuant to this article shall be submitted to the board by March 31, 2003. *Thereafter, the board may establish subsequent application periods as needed.*

~~(b) Thereafter, the board may establish subsequent application periods as needed.~~

(e)

(b) Preliminary applications may be submitted by eligible applicants as set forth in this article by either of the following:

(1) A school district on behalf of a charter school that is physically located within the geographical jurisdiction of the school district.

(2) A charter school on its own behalf if the charter school has notified both the superintendent and the governing board of the school district in which it is physically located of its intent to do so in writing at least 30 days prior to submission of the preliminary application.

~~(d)~~

(c) A preliminary application ~~must~~ *shall* demonstrate either of the following:

1 (1) That a charter petition for the school for which the
2 application is submitted has been granted by the appropriate
3 chartering entity prior to the application deadline determined by
4 the board.

5 (2) That an already existing charter has been amended to
6 include the school for which the application is submitted and
7 approved by the appropriate chartering entity prior to the
8 deadline determined by the board.

9 *(d) A preliminary application shall include either of the*
10 *following:*

11 *(1) For a preliminary application submitted pursuant to*
12 *paragraph (1) of subdivision (b), the number of unhoused pupils*
13 *determined pursuant to Article 3 (commencing with Section*
14 *17071.75) that will be housed by the project for which the*
15 *preliminary application has been submitted.*

16 *(2) For a preliminary application submitted pursuant to*
17 *paragraph (2) of subdivision (b), a certification from the*
18 *governing board of the district within which the charter school is*
19 *physically located of the number of unhoused pupils for that*
20 *district determined pursuant to Article 3 (commencing with*
21 *Section 17071.75) that will be housed by the project for which*
22 *the preliminary application has been submitted.*

23 *(e) Prior to submitting a preliminary application, the school*
24 *district and charter school shall consider existing school district*
25 *facilities in accordance with Section 47614.*

26 ~~(e)~~

27 *(f) The board, after consideration of the recommendations of*
28 *the authority regarding whether a charter school is financially*
29 *sound, shall approve the preliminary application and shall make*
30 *the preliminary apportionment for funding pursuant to this*
31 *article.*

32 ~~(f)~~

33 *(g) (1) The board shall establish a process to ensure that pupil*
34 *attendance in a charter school that is physically located within*
35 *the geographical jurisdiction of a school district is counted as*
36 *per-pupil eligibility for that school district and to ensure that the*
37 *same per-pupil attendance is not so counted for any other school*
38 *district or other applicant under this chapter.*

39 *(2) (A) Except as provided pursuant to subparagraph (B) and*
40 *notwithstanding subdivision (b) of Section 17071.75, the number*

1 *of pupils for which facilities are provided under this article shall*
2 *not be included in the sum determined under subdivision (b) of*
3 *Section 17071.75.*

4 *(B) The number of unhoused pupils determined pursuant to*
5 *subdivision (d) that will be housed by the project for which a*
6 *preliminary application has been submitted shall be included in*
7 *the sum determined under subdivision (b) of Section 17071.75.*

8 ~~(g)~~

9 *(h) The board shall establish a process to be used for release of*
10 *funds for approved projects pursuant to this article.*
11 *Notwithstanding Section 17072.30, the board may provide for*
12 *the release of planning and site acquisition funds prior to the*
13 *approval of the project by the Department of General Services*
14 *pursuant to the Field Act, as defined in Section 17281.*

15 *SEC. 8. Section 17078.54 of the Education Code is amended*
16 *to read:*

17 17078.54. (a) An eligible project under this article shall
18 include funding, as permitted by this chapter, for new
19 construction *or rehabilitation* of a school facility for charter
20 school pupils, as set forth in this article. ~~A new construction~~
21 ~~project may include, but is not limited to, the cost of purchasing~~
22 ~~and retrofitting an existing building, retrofitting an existing~~
23 ~~building for charter school purposes, purchasing a building, or~~
24 ~~retrofitting a building that has been purchased by the charter~~
25 ~~school, if those costs have not been previously funded under this~~
26 ~~chapter; but may not exceed the amounts set forth in subdivision~~
27 ~~(b). Existing school buildings made available by a school district~~
28 ~~that will be rehabilitated for the purposes of this article are not~~
29 ~~subject to Article 6 (commencing with Section 17073.10). An~~
30 ~~allocation of funds shall not be made for a school facility that is~~
31 ~~less than 15 years old.~~

32 (b) The maximum amount of the funding pursuant to this
33 article shall be determined by calculating the charter school's
34 per-pupil grant amount plus other allowable costs as set forth in
35 this chapter. Funding shall be provided by the authority for new
36 facility construction *or rehabilitation* as set forth in Section
37 17078.58.

38 (c) To be funded under this article, a project shall comply with
39 all of the following:

(1) ~~(A)~~—It shall meet all the requirements regarding public school construction, plan approvals, toxic substance review, site selection, and site approval, as would any noncharter school project of a school district under this chapter, including, but not limited to, regulations adopted by the State Architect pursuant to Section 17280.5 relating to the retrofitting of existing buildings, as applicable.

~~(B)~~

(2) Notwithstanding any provision of law to the contrary, including, but not limited to ~~subparagraph (A) paragraph (1)~~, the board, after consulting with the relevant regulatory agencies, shall, to the extent feasible, adopt regulations establishing a process for projects to be subject to a streamlined method for obtaining regulatory approvals for all requirements described in ~~subparagraph (A) paragraph (1)~~, except for the requirements of the Field Act as defined in Section 17281 which shall be complied with in the same manner as any other project under this chapter.

~~(2) It~~

(3) *The board* shall fund only new construction to be physically located within the geographical jurisdiction of a school district ~~that has demonstrated construction grant eligibility based on current enrollment data as determined pursuant to Section 17072.10, and subdivision (c) of Section 17078.53, for at least the number of pupils set forth in the per-pupil grant request contained in the application.~~

(d) Facilities funded pursuant to this article shall have a 50 percent local share matching obligation that may be paid by the applicant through lease payments in lieu of the matching share, or as otherwise set forth in this article, including, but not limited to, Section 17078.58.

(e) The authority may charge its administrative costs against the respective 2002 ~~or 2004~~, 2004, 2006, or 2008 Charter School Facilities Account, which shall be subject to the approval of the Department of Finance and which may not exceed 2.5 percent of the account.

SEC. 9. Section 17078.56 of the Education Code is amended to read:

17078.56. (a) The board, in consultation with the authority, shall approve projects pursuant to this article as otherwise set

1 forth in this chapter, and shall make preliminary apportionments
2 only to financially sound applicants in accordance with all of the
3 following criteria:

4 (1) The board shall seek to ensure that, when considered as a
5 whole, the applications approved pursuant to this article are fairly
6 representative of the various geographical regions of the state.

7 (2) The board shall seek to ensure that, when considered as a
8 whole, the applications approved pursuant to this article are fairly
9 representative of urban, rural, and suburban regions of the state.

10 (3) The board shall seek to ensure that, when considered as a
11 whole, the applications approved pursuant to this article are fairly
12 representative of large, medium, and small charter schools
13 throughout the state.

14 (4) The board shall seek to ensure that, when considered as a
15 whole, the applications approved pursuant to this article are fairly
16 representative of the various grade levels of pupils served by
17 charter school applicants throughout the state.

18 (b) While ensuring that the requirements of subdivision (a) are
19 met when considering all approved projects under this article as a
20 whole, the board shall, within each factor of the criteria set forth
21 in subdivision (a), give a preference to charter schools in
22 overcrowded school districts, charter schools in low-income
23 areas, ~~and charter schools operated by not-for-profit entities, and~~
24 *charter schools that utilize existing school district facilities.*

25 ~~(e) Notwithstanding any other provision of law, the board, in~~
26 ~~conjunction with the California School Finance Authority, shall~~
27 ~~maximize the number of projects that may be approved under~~
28 ~~this article by adopting total per project funding caps. The board~~
29 ~~shall adopt other funding limits including, but not limited to,~~
30 ~~limits on the amount of acreage for each project and the amounts~~
31 ~~of construction funding for each project funded under this article.~~
32 ~~The adoption of construction funding limits shall include, but not~~
33 ~~be limited to, savings due to retrofitting existing buildings,~~
34 ~~joint-use projects, or other factors.~~

35 *SEC. 10. Section 17078.58 of the Education Code is amended*
36 *to read:*

37 17078.58. (a) Funding granted pursuant to this article may
38 not exceed 100 percent of the total allowable project costs as
39 determined by calculating double the per-pupil grant eligibility as
40 set forth in Section 17072.10, and subdivision (e) of Section

1 17078.53, plus 100 percent of all other allowable construction
2 project costs, as appropriate to the project, that would otherwise
3 be available to school district projects as set forth in this chapter.
4 *Funding granted for the purposes of rehabilitating buildings*
5 *under Section 17078.54 shall be limited to the costs necessary to*
6 *comply with subdivision (c) of Section 17078.54, and shall not*
7 *exceed the maximum costs that would otherwise be allowable for*
8 *a new construction project funded under this article.*

9 (b) The local share equivalent shall be collected in the form of
10 lease payments or otherwise as set forth in this article.

11 (c) Lease payments in lieu of local share payments, and any
12 other local share payments made pursuant to this article, shall be
13 made to the State Allocation Board for deposit into the respective
14 ~~2002 or 2004~~, 2004, 2006, or 2008 Charter School Facilities
15 Account. Funds deposited into the account pursuant to this
16 section may be used by the board only for a purpose related to
17 charter school facilities pursuant to this article.

18 (d) When a preliminary apportionment under this article is
19 converted to a final apportionment, any funds not needed for the
20 final apportionment shall remain in the ~~2002 or 2004~~, 2004,
21 2006, or 2008 Charter School Facilities Account for use by the
22 board for any purpose related to charter school facilities pursuant
23 to this article.

24 SEC. 11. Article 13 (commencing with Section 17078.70) is
25 added to Chapter 12.5 of Part 10 of the Education Code, to read:

26
27 Article 13. Career Technical Education Facilities Program
28

29 17078.70. (a) For the purposes of this article,
30 “reconfiguration” means any modification of a structure of any
31 age that will enhance the educational opportunities for pupils in
32 existing middle and high schools in order to provide them with
33 the skills and knowledge necessary for high-demand technical
34 careers.

35 (b) “Reconfiguration” may include limited new construction
36 necessary to accommodate the reconfiguration.

37 17078.72. (a) The Career Technical Education Facilities
38 Program is hereby established to provide funding to qualifying
39 local educational agencies for the purpose of constructing new
40 facilities or reconfiguring existing facilities, including, but not

1 *limited to, purchasing equipment with an average useful life*
2 *expectancy of at least 10 years, to enhance educational*
3 *opportunities for pupils in existing high schools in order to*
4 *provide them with the skills and knowledge necessary for the*
5 *high-demand technical careers of today and tomorrow.*

6 *(b) The State Department of Education, in cooperation with*
7 *the Chancellor's Office of the Community Colleges, the Labor*
8 *and Workforce Development Agency, and industry groups, shall*
9 *develop criteria and pupil outcome measures to evaluate the*
10 *program. The criteria shall ensure equity, program relevance to*
11 *industry needs, and articulation with more advanced coursework*
12 *at the partnering community colleges or private institutions.*

13 *(c) The program shall be based on grant applications*
14 *administered by the State Allocation Board.*

15 *(d) Grants shall be allocated on a per-square-foot basis for*
16 *the applicable type of construction proposed or deemed*
17 *necessary by the board consistent with the approved application*
18 *for the project.*

19 *(e) New construction grants shall not exceed three million*
20 *dollars (\$3,000,000) per project per school site, inclusive of*
21 *equipment, and shall only be allocated to comprehensive high*
22 *schools that have an active Career Technical Advisory*
23 *Committee pursuant to Section 8070, in either of the following*
24 *methods:*

25 *(1) For a stand-alone project on a per-square-foot basis for*
26 *the applicable type of construction proposed, based on the*
27 *criteria established pursuant to subdivision (b), consistent with*
28 *the approved application for the project.*

29 *(2) For new school projects, as a supplement to the per pupil*
30 *allocation pursuant to Section 17072.10. The supplement is*
31 *intended to cover excess costs uniquely related to the facilities*
32 *required to provide the career technical education program or*
33 *programs.*

34 *(f) Modernization grants shall not exceed one million five*
35 *hundred thousand dollars (\$1,500,000) per project per*
36 *schoolsite, inclusive of equipment and may be awarded to*
37 *comprehensive high schools or joint power authorities currently*
38 *operating career technical education programs that have an*
39 *active Career Technical Advisory Committee pursuant to Section*
40 *8070 for the purpose of reconfiguration. For comprehensive high*

1 schools, the grant shall be supplemental to the per pupil
2 allocation pursuant to Section 17074.10. the supplement is
3 intended to cover excess costs uniquely related to the facilities
4 required to provide the career technical education program or
5 programs.

6 (g) (1) A school district shall contribute from local resources
7 a dollar amount that is equal to the amount of the grant of state
8 funds awarded under subdivisions (d), (e), and (f). The local
9 contribution may be provided by private industry groups, the
10 school district, or a joint powers authority.

11 (2) A school district shall not be required to demonstrate that
12 it has unhoused pupils or that a permanent school building is
13 more than 25 years old in order to receive a grant under the
14 program.

15 (h) The program shall allow the local contribution to be paid
16 over time should sufficient local funds not be immediately
17 available. The board may provide for a repayment schedule
18 consistent with subparagraphs (C) and (D) of paragraph (1) of
19 subdivision (a) of Section 17078.57. The board shall not waive
20 the local contribution on the basis of financial hardship or on
21 any other basis.

22 (i) Applications shall meet the criteria developed under
23 subdivision (b) and shall require all of the following:

24 (1) A clear and comprehensive Career Technical Education
25 plan for each course of study applicable to the instructional
26 space.

27 (2) Projections of pupil enrollment.

28 (3) Identification of feeder schools, industry partners, and
29 community colleges or other postsecondary schools participating
30 in the development, articulation and review of the educational
31 program.

32 (4) Evidence of approval of the plan by the entities listed in
33 paragraph (3).

34 (5) The method by which accountability for pupil enrollments
35 and outcomes will be maintained. Outcomes shall include, but
36 are not limited to, certificate completion, the successful entry of
37 pupil to employment in the applicable industry, and successful
38 transition to post-secondary institutions for work in the
39 applicable industry or other areas of study.

1 (6) Evidence of coordination with all feeder schools, middle
2 schools, and high schools within the area to ensure that the
3 project and programs complement career technical education
4 offerings in the area.

5 (7) Evidence that upon completion of the project the local
6 education agency will meet all of its obligations under Section
7 51228 relating to career technical education.

8 (j) Applications shall give weight to the number of pupils
9 expected to attend, the cost per pupil, financial participation by
10 industry partners in the construction and equipping of the
11 facility, commitment to accountability for outcomes and
12 participation, the strength and relevance of the educational plans
13 to the needs of industry for qualified technical employees
14 applicable to the economic development needs of the region in
15 which the project will be located, and coordination and
16 articulation with feeder schools, other high schools, and
17 community colleges.

18 (k) The Office of Public School Construction shall develop and
19 the board shall approve regulations to implement this article on
20 or before April 19, 2007, and the board may promulgate those
21 regulations first on an emergency basis, which shall be effective
22 for no more than 12 months, after which any permanent
23 regulations shall be promulgated in accordance with the
24 Administrative Procedures Act (Chapter 3.5 (commencing with
25 Section 11340) of Part 1 of Division 3 of Title 2 of the
26 Government Code.

27 SEC. 12. Article 14 (commencing with Section 17079) is
28 added to Chapter 12.5 of Part 10 of the Education Code, to read:

29
30 Article 14. Overcrowding Relief Grants

31
32 17079. (a) For purposes of this article, an eligible school is
33 a school for which the schoolsite pupil population density is
34 equal to or greater than 175 percent of the schoolsite pupil
35 population density recommended by the Superintendent as of
36 January 1, 2006, adjusted by the following factors:

37 (1) The density calculation shall be reduced to take into
38 account the additional pupil capacity created by multistory
39 construction.

1 (2) *The schoolsite pupil population density shall be reduced to*
2 *take into account approved new construction projects, including*
3 *projects approved pursuant to Article 11 (commencing with*
4 *Section 17078.10).*

5 (b) *The board shall adopt regulations to determine the*
6 *adjustments set forth in paragraphs (1) and (2) of subdivision*
7 *(a).*

8 17079.10. (a) *For purposes of this article, an eligible pupil is*
9 *a pupil who is housed in a portable classroom, except portable*
10 *classrooms used for purposes of the Class Size Reduction*
11 *Program set forth in Chapter 6.10 (commencing with Section*
12 *52120) of Part 28, at an eligible school.*

13 (b) *The board shall apportion an overcrowding relief grant to*
14 *districts on behalf of each eligible pupil equal to the appropriate*
15 *per-unhoused-pupil grant amount pursuant to Section 17072.10.*
16 *The number of overcrowding relief grants apportioned shall be*
17 *subject to the following limitations:*

18 (1) *The number of grants apportioned on behalf of an eligible*
19 *school shall not exceed the number of pupils whose removal from*
20 *the pupil density calculation would reduce the density of the*
21 *eligible schoolsite to 150 percent of the schoolsite pupil*
22 *population density recommended by the Superintendent as of*
23 *January 1, 2006.*

24 (2) *A district shall not receive more grants than the number of*
25 *pupils housed in portable classrooms that were included in the*
26 *initial new construction eligibility determination of the district*
27 *pursuant to Article 3 (commencing with Section 17071.75).*

28 17079.20. (a) *The board shall require that applications for*
29 *funding pursuant to this article be used for an equivalent number*
30 *of permanent new school construction classrooms to replace the*
31 *portable classrooms upon which the determination of the number*
32 *of eligible pupils is based. The board shall also require the*
33 *application to describe how the project will relieve overcrowding*
34 *at the eligible school.*

35 (b) *The board shall create a list of projects eligible for funding*
36 *and shall approve applications semiannually on a schedule*
37 *determined by the board.*

38 (c) *The board shall require that applicant school districts*
39 *comply with all of the same conditions otherwise required for*

1 new construction funding pursuant to this chapter with the
2 exception of subdivision (b) of Section 17071.75.

3 (d) The board shall not apportion funds for a project pursuant
4 to this article any portion of which involves the construction,
5 acquisition, or transportation of portable classrooms for any
6 school in the school district.

7 (e) In the event the funding available to the board for purposes
8 of this article is less than the amount necessary to fund all
9 eligible applications, the board shall prioritize and fund the
10 projects on the basis of the pupil density of the eligible schools.

11 17079.30. (a) The board shall require both of the following
12 as conditions for receiving funding pursuant to this article:

13 (1) Within six months after the date of initial occupancy of the
14 permanent school facilities constructed pursuant to this article,
15 the school district shall remove from the eligible school, and
16 remove from service as classrooms in the district, the portable
17 classrooms used for determining the number of eligible pupils.

18 (2) The new school construction funding provided pursuant to
19 this article shall result in a reduction in the total number of
20 portable classrooms in the school district.

21 (b) This section does not preclude the school district from
22 using the portable classrooms removed from eligible schools for
23 child care or preschool programs, if those portable classrooms
24 are not located at an eligible school.

25 (c) This section does not apply to eligible schools operating on
26 double session schedules in an elementary school district in a
27 county of the second class, as set forth in Section 28023 of the
28 Government Code.

29 SEC. 13. Section 17261 of the Education Code is amended to
30 read:

31 17261. The State Allocation Board shall obtain construction
32 plans for school buildings appropriate for school districts in
33 various climates and geographical conditions of the state. The
34 plans shall be composed of plans designed to meet the needs of
35 school districts requiring school buildings of various sizes. The
36 plans may include landscape suggestions. *The plans may include*
37 *designs that promote the efficient use of energy and water, the*
38 *maximum use of natural lighting and indoor air quality, the use*
39 *of recycled materials and materials that emit a minimum of toxic*

1 *substances, the use of acoustics conducive to teaching and*
2 *learning, and other characteristics of high performance schools.*

3 *SEC. 14. Section 81052 is added to the Education Code, to*
4 *read:*

5 *81052. Each school building constructed, reconstructed,*
6 *modified, or expanded after July 1, 2006, on a community college*
7 *campus shall be built according to the Field Act, as defined in*
8 *Section 81130.3, or according to the California Building*
9 *Standards Code, as adopted by the California Building*
10 *Standards Commission.*

11 *SEC. 15. Section 81130.3 of the Education Code is amended*
12 *to read:*

13 *81130.3. This article, together with Article 3 (commencing*
14 *with Section 17280) and Article 6 (commencing with Section*
15 *17365) of Chapter 3 of Part 10.5 and Article 3 (commencing with*
16 *Section 81050), shall be known and may be cited as the “Field*
17 *Act.”*

18 *SEC. 16. Part 69 (commencing with Section 101000) is added*
19 *to the Education Code, to read:*

20
21 *PART 69. KINDERGARTEN-UNIVERSITY PUBLIC*
22 *EDUCATION FACILITIES BOND ACT OF 2006*

23
24 *CHAPTER 1. GENERAL*
25

26 *101000. This part shall be known and may be cited as the*
27 *Kindergarten-University Public Education Facilities Bond Act of*
28 *2006.*

29 *101001. The incorporation of, or reference to, any provision*
30 *of California statutory law in this part includes all acts*
31 *amendatory thereof and supplementary thereto.*

32 *101002. (a) Bonds in the total amount of ten billion four*
33 *hundred sixteen million dollars (\$10,416,000,000), not including*
34 *the amount of any refunding bonds issued in accordance with*
35 *Sections 101030, 101039, and 101059, or so much thereof as is*
36 *necessary, may be issued and sold to provide a fund to be used*
37 *for carrying out the purposes expressed in this part and to*
38 *reimburse the General Obligation Bond Expense Revolving Fund*
39 *pursuant to Section 16724.5 of the Government Code. The bonds,*
40 *when sold, shall be and constitute a valid and binding obligation*

1 of the State of California, and the full faith and credit of the State
2 of California is hereby pledged for the punctual payment of the
3 principal of, and interest on, the bonds as the principal and
4 interest become due and payable.

5 (b) Pursuant to this section, the Treasurer shall sell the bonds
6 authorized by the State School Building Finance Committee
7 established by Section 15909 or the Higher Education Facilities
8 Finance Committee established pursuant to Section 67353, as the
9 case may be, at any different times necessary to service
10 expenditures required by the apportionments.

11
12 *CHAPTER 2. KINDERGARTEN THROUGH 12TH GRADE*

13
14 *Article 1. Kindergarten Through 12th Grade School Facilities*
15 *Program Provisions*

16
17 101010. The proceeds of bonds issued and sold pursuant to
18 Article 2 (commencing with Section 101020) shall be deposited
19 in the 2006 State School Facilities Fund established in the State
20 Treasury under subdivision (d) of Section 17070.40 and shall be
21 allocated by the State Allocation Board pursuant to this chapter.

22 101011. All moneys deposited in the 2006 State School
23 Facilities Fund for the purposes of this chapter shall be available
24 to provide aid to school districts, county superintendents of
25 schools, and county boards of education of the state in
26 accordance with the Leroy F. Greene School Facilities Act of
27 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part
28 10), as set forth in Section 101012, to provide funds to repay any
29 money advanced or loaned to the 2006 State School Facilities
30 Fund under any act of the Legislature, together with interest
31 provided for in that act, and to reimburse the General Obligation
32 Bond Expense Revolving Fund pursuant to Section 16724.5 of
33 the Government Code.

34 101012. (a) The proceeds from the sale of bonds, issued and
35 sold for the purposes of this chapter, shall be allocated in
36 accordance with the following schedule:

37 (1) The amount of one billion nine hundred million dollars
38 (\$1,900,000,000) for new construction of school facilities of
39 applicant school districts under Chapter 12.5 (commencing with
40 Section 17070.10) of Part 10. Of the amount allocated under this

1 paragraph, up to 10.5 percent shall be available for purposes of
2 seismic repair, reconstruction, or replacement, pursuant to
3 Section 17075.10.

4 (2) The amount of five hundred million dollars (\$500,000,000)
5 shall be available for providing school facilities to charter
6 schools pursuant to Article 12 (commencing with Section
7 17078.52) of Chapter 12.5 of Part 10.

8 (3) The amount of three billion three hundred million dollars
9 (\$3,300,000,000) for the modernization of school facilities
10 pursuant to Chapter 12.5 (commencing with Section 17070.10) of
11 Part 10.

12 (4) The amount of five hundred million dollars (\$500,000,000)
13 for the purposes set forth in Article 13 (commencing with Section
14 17078.70) of Chapter 12.5 of Part 10, relating to facilities for
15 career technical education programs.

16 (5) Of the amounts allocated under paragraphs (1) and (3), up
17 to two hundred million dollars (\$200,000,000) for the purposes
18 set forth in Chapter 894 of the Statutes of 2004, relating to
19 incentives for the creation of smaller learning communities and
20 small high schools.

21 (6) The amount of twenty-nine million dollars (\$29,000,000)
22 for the purposes set forth in Article 10.6 (commencing with
23 Section 17077.40) of Chapter 12.5 of Part 10, relating to joint
24 use projects.

25 (7) The amount of one billion dollars (\$1,000,000,000) shall
26 be available for providing new construction funding to severely
27 overcrowded schoolsites pursuant to Article 14 (commencing
28 with Section 17079) of Chapter 12.5 of Part 10.

29 (8) The amount of one hundred million dollars (\$100,000,000)
30 for incentive grants to promote the use of designs and materials
31 in new construction and modernization projects that include the
32 attributes of high performance schools, including, but not limited
33 to, the elements set forth in Section 17070.96, pursuant to
34 regulations adopted by the State Allocation Board.

35 (b) School districts may use funds allocated pursuant to
36 paragraph (3) of subdivision (a) only for one or more of the
37 following purposes in accordance with Chapter 12.5
38 (commencing with Section 17070.10) of Part 10:

39 (1) The purchase and installation of air-conditioning
40 equipment and insulation materials, and related costs.

1 (2) Construction projects or the purchase of furniture or
2 equipment designed to increase school security or playground
3 safety.

4 (3) The identification, assessment, or abatement in school
5 facilities of hazardous asbestos.

6 (4) Project funding for high priority roof replacement
7 projects.

8 (5) Any other modernization of facilities pursuant to Chapter
9 12.5 (commencing with Section 17070.10) of Part 10.

10 (c) Funds allocated pursuant to paragraph (1) of subdivision
11 (a) may also be utilized to provide new construction grants for
12 eligible applicant county boards of education under Chapter 12.5
13 (commencing with Section 17070.10) of Part 10 for funding
14 classrooms for severely handicapped pupils, or for funding
15 classrooms for county community school pupils.

16 (d) (1) The Legislature may amend this section to adjust the
17 funding amounts specified in paragraphs (1) to (8), inclusive, of
18 subdivision (a), only by either of the following methods:

19 (A) By a statute, passed in each house of the Legislature by
20 rollcall vote entered in the respective journals, by not less than
21 two-thirds of the membership in each house concurring, if the
22 statute is consistent with, and furthers the purposes of, this
23 chapter.

24 (B) By a statute that becomes effective only when approved by
25 the voters.

26 (2) Amendments pursuant to this subdivision may adjust the
27 amounts to be expended pursuant to paragraphs (1) to (8),
28 inclusive, of subdivision (a), but may not increase or decrease
29 the total amount to be expended pursuant to that subdivision.

30 (e) Funds available pursuant to this section may be used for
31 acquisition of school facilities authorized pursuant to Section
32 17280.5.

33
34 Article 2. Kindergarten Through 12th Grade School Facilities
35 Fiscal Provisions
36

37 101020. (a) Of the total amount of bonds authorized to be
38 issued and sold pursuant to Chapter 1 (commencing with Section
39 101000), bonds in the amount of seven billion three hundred
40 twenty-nine million dollars (\$7,329,000,000) not including the

1 amount of any refunding bonds issued in accordance with
2 Section 101030, or so much thereof as is necessary, may be
3 issued and sold to provide a fund to be used for carrying out the
4 purposes expressed in this chapter and to reimburse the General
5 Obligation Bond Expense Revolving Fund pursuant to Section
6 16724.5 of the Government Code. The bonds, when sold, shall be
7 and constitute a valid and binding obligation of the State of
8 California, and the full faith and credit of the State of California
9 is hereby pledged for the punctual payment of the principal of,
10 and interest on, the bonds as the principal and interest become
11 due and payable.

12 (b) Pursuant to this section, the Treasurer shall sell the bonds
13 authorized by the State School Building Finance Committee
14 established pursuant to Section 15909 at any different times
15 necessary to service expenditures required by the
16 apportionments.

17 101021. The State School Building Finance Committee,
18 established by Section 15909 and composed of the Governor, the
19 Controller, the Treasurer, the Director of Finance, and the
20 Superintendent of Public Instruction, or their designated
21 representatives, all of whom shall serve thereon without
22 compensation, and a majority of whom shall constitute a quorum,
23 is continued in existence for the purpose of this chapter. The
24 Treasurer shall serve as chairperson of the committee. Two
25 Members of the Senate appointed by the Senate Committee on
26 Rules, and two Members of the Assembly appointed by the
27 Speaker of the Assembly, shall meet with and provide advice to
28 the committee to the extent that the advisory participation is not
29 incompatible with their respective positions as Members of the
30 Legislature. For the purposes of this chapter, the Members of the
31 Legislature shall constitute an interim investigating committee on
32 the subject of this chapter and, as that committee, shall have the
33 powers granted to, and duties imposed upon, those committees by
34 the Joint Rules of the Senate and the Assembly. The Director of
35 Finance shall provide assistance to the committee as it may
36 require. The Attorney General of the state is the legal adviser of
37 the committee.

38 101022. (a) The bonds authorized by this chapter shall be
39 prepared, executed, issued, sold, paid, and redeemed as provided
40 in the State General Obligation Bond Law (Chapter 4

1 (commencing with Section 16720) of Part 3 of Division 4 of Title
2 2 of the Government Code), and all of the provisions of that law,
3 except Section 16727 of the Government Code to the extent that
4 it conflicts with this part, apply to the bonds and to this chapter
5 and are hereby incorporated into this chapter as though set forth
6 in full within this chapter.

7 (b) For purposes of the State General Obligation Bond Law,
8 the State Allocation Board is designated the “board” for
9 purposes of administering the 2006 State School Facilities Fund.

10 101023. (a) Upon request of the State Allocation Board, the
11 State School Building Finance Committee shall determine
12 whether or not it is necessary or desirable to issue bonds
13 authorized pursuant to this chapter in order to fund the
14 apportionments and, if so, the amount of bonds to be issued and
15 sold. Successive issues of bonds may be authorized and sold to
16 fund those apportionments progressively, and it is not necessary
17 that all of the bonds authorized to be issued be sold at any one
18 time.

19 (b) A request of the State Allocation Board pursuant to
20 subdivision (a) shall be supported by a statement of the
21 apportionments made and to be made for the purposes described
22 in Sections 101011 and 101012.

23 101024. There shall be collected each year and in the same
24 manner and at the same time as other state revenue is collected,
25 in addition to the ordinary revenues of the state, a sum in an
26 amount required to pay the principal of, and interest on, the
27 bonds each year. It is the duty of all officers charged by law with
28 any duty in regard to the collection of the revenue to do and
29 perform each and every act that is necessary to collect that
30 additional sum.

31 101025. Notwithstanding Section 13340 of the Government
32 Code, there is hereby appropriated from the General Fund in the
33 State Treasury, for the purposes of this chapter, an amount that
34 will equal the total of the following:

35 (a) The sum annually necessary to pay the principal of, and
36 interest on, bonds issued and sold pursuant to this chapter, as the
37 principal and interest become due and payable.

38 (b) The sum necessary to carry out Section 101028,
39 appropriated without regard to fiscal years.

1 101026. *The State Allocation Board may request the Pooled*
2 *Money Investment Board to make a loan from the Pooled Money*
3 *Investment Account or any other approved form of interim*
4 *financing, in accordance with Section 16312 of the Government*
5 *Code, for the purpose of carrying out this chapter. The amount of*
6 *the request shall not exceed the amount of the unsold bonds that*
7 *the committee, by resolution, has authorized to be sold for the*
8 *purpose of carrying out this chapter. The board shall execute any*
9 *documents required by the Pooled Money Investment Board to*
10 *obtain and repay the loan. Any amounts loaned shall be*
11 *deposited in the fund to be allocated by the board in accordance*
12 *with this chapter.*

13 101027. *Notwithstanding any other provision of this chapter,*
14 *or of the State General Obligation Bond Law, if the Treasurer*
15 *sells bonds pursuant to this chapter that include a bond counsel*
16 *opinion to the effect that the interest on the bonds is excluded*
17 *from gross income for federal tax purposes, subject to designated*
18 *conditions, the Treasurer may maintain separate accounts for the*
19 *investment of bond proceeds and for the investment earnings on*
20 *those proceeds. The Treasurer may use or direct the use of those*
21 *proceeds or earnings to pay any rebate, penalty, or other*
22 *payment required under federal law or take any other action with*
23 *respect to the investment and use of those bond proceeds*
24 *required or desirable under federal law to maintain the*
25 *tax-exempt status of those bonds and to obtain any other*
26 *advantage under federal law on behalf of the funds of this state.*

27 101028. *For the purposes of carrying out this chapter, the*
28 *Director of Finance may authorize the withdrawal from the*
29 *General Fund of an amount not to exceed the amount of the*
30 *unsold bonds that have been authorized by the State School*
31 *Building Finance Committee to be sold for the purpose of*
32 *carrying out this chapter. Any amounts withdrawn shall be*
33 *deposited in the 2006 State School Facilities Fund consistent*
34 *with this chapter. Any money made available under this section*
35 *shall be returned to the General Fund, plus an amount equal to*
36 *the interest that the money would have earned in the Pooled*
37 *Money Investment Account, from proceeds received from the sale*
38 *of bonds for the purpose of carrying out this chapter.*

39 101029. *All money deposited in the 2006 State School*
40 *Facilities Fund, that is derived from premium and accrued*

1 *interest on bonds sold shall be reserved in the fund and shall be*
2 *available for transfer to the General Fund as a credit to*
3 *expenditures for bond interest.*

4 *101030. The bonds may be refunded in accordance with*
5 *Article 6 (commencing with Section 16780) of Chapter 4 of Part*
6 *3 of Division 4 of Title 2 of the Government Code, which is a part*
7 *of the State General Obligation Bond Law. Approval by the*
8 *voters of the state for the issuance of the bonds described in this*
9 *chapter includes the approval of the issuance of any bonds issued*
10 *to refund any bonds originally issued under this chapter or any*
11 *previously issued refunding bonds.*

12 *101031. The Legislature hereby finds and declares that,*
13 *inasmuch as the proceeds from the sale of bonds authorized by*
14 *this chapter are not “proceeds of taxes” as that term is used in*
15 *Article XIII B of the California Constitution, the disbursement of*
16 *these proceeds is not subject to the limitations imposed by that*
17 *article.*

18
19 *CHAPTER 3. CALIFORNIA COMMUNITY COLLEGE FACILITIES*

20
21 *Article 1. General*

22
23 *101032. (a) The 2006 California Community College Capital*
24 *Outlay Bond Fund is hereby established in the State Treasury for*
25 *deposit of funds from the proceeds of bonds issued and sold for*
26 *the purposes of this chapter.*

27 *(b) The Higher Education Facilities Finance Committee*
28 *established pursuant to Section 67353 is hereby authorized to*
29 *create a debt or debts, liability or liabilities, of the State of*
30 *California pursuant to this chapter for the purpose of providing*
31 *funds to aid the California Community Colleges.*

32
33 *Article 2. California Community College Program Provisions*

34
35 *101033. (a) From the proceeds of bonds issued and sold*
36 *pursuant to Article 3 (commencing with Section 101034), the sum*
37 *of one billion five hundred seven million dollars*
38 *(\$1,507,000,000) shall be deposited in the 2006 California*
39 *Community College Capital Outlay Bond Fund for the purposes*

1 of this article. When appropriated, these funds shall be available
2 for expenditure for the purposes of this article.

3 (b) The purposes of this article include assisting in meeting the
4 capital outlay financing needs of the California Community
5 Colleges.

6 (c) Proceeds from the sale of bonds issued and sold for the
7 purposes of this article may be used to fund construction on
8 existing campuses, including the construction of buildings and
9 the acquisition of related fixtures, construction of facilities that
10 may be used by more than one segment of public higher
11 education (intersegmental), the renovation and reconstruction of
12 facilities, site acquisition, the equipping of new, renovated, or
13 reconstructed facilities, which equipment shall have an average
14 useful life of 10 years; and to provide funds for the payment of
15 preconstruction costs, including, but not limited to, preliminary
16 plans and working drawings for facilities of the California
17 Community Colleges.

18
19 Article 3. California Community College Fiscal Provisions
20

21 101034. (a) Of the total amount of bonds authorized to be
22 issued and sold pursuant to Chapter 1 (commencing with Section
23 101000), bonds in the total amount of one billion five hundred
24 seven million dollars (\$1,507,000,000), not including the amount
25 of any refunding bonds issued in accordance with Section
26 101039, or so much thereof as is necessary, may be issued and
27 sold to provide a fund to be used for carrying out the purposes
28 expressed in this chapter and to reimburse the General
29 Obligation Bond Expense Revolving Fund pursuant to Section
30 16724.5 of the Government Code. The bonds, when sold, shall be
31 and constitute a valid and binding obligation of the State of
32 California, and the full faith and credit of the State of California
33 is hereby pledged for the punctual payment of the principal of,
34 and interest on, the bonds as the principal and interest become
35 due and payable.

36 (b) It is the intent of the Legislature that the California
37 Community Colleges annually consider, as part of their annual
38 capital outlay planning process, the inclusion of facilities that
39 may be used by more than one segment of public higher
40 education (intersegmental), and, that on or before May 15th of

1 *each year, those entities report their findings to the budget*
2 *committees of each house of the Legislature.*

3 *(c) Pursuant to this section, the Treasurer shall sell the bonds*
4 *authorized by the Higher Education Facilities Finance*
5 *Committee established pursuant to Section 67353 at any different*
6 *times necessary to service expenditures required by the*
7 *apportionments.*

8 *101034.5. (a) The bonds authorized by this chapter shall be*
9 *prepared, executed, issued, sold, paid, and redeemed as provided*
10 *in the State General Obligation Bond Law (Chapter 4*
11 *(commencing with Section 16720) of Part 3 of Division 4 of Title*
12 *2 of the Government Code), and all of the provisions of that law,*
13 *except Section 16727 of the Government Code to the extent that*
14 *it conflicts with this part, apply to the bonds and to this chapter*
15 *and are hereby incorporated into this chapter as though set forth*
16 *in full within this chapter.*

17 *(b) For the purposes of the State General Obligation Bond*
18 *Law, each state agency administering an appropriation of the*
19 *2006 Community College Capital Outlay Bond Fund is*
20 *designated as the “board” for projects funded pursuant to this*
21 *chapter.*

22 *(c) The proceeds of the bonds issued and sold pursuant to this*
23 *chapter shall be available for the purpose of funding aid to the*
24 *California Community Colleges for the construction on existing*
25 *or new campuses, and their respective off-campus centers and*
26 *joint use and intersegmental facilities, as set forth in this chapter.*

27 *101035. The Higher Education Facilities Finance Committee*
28 *established pursuant to Section 67353 shall authorize the*
29 *issuance of bonds under this chapter only to the extent necessary*
30 *to fund the apportionments for the purposes described in this*
31 *chapter that are expressly authorized by the Legislature in the*
32 *annual Budget Act. Pursuant to that legislative direction, the*
33 *committee shall determine whether or not it is necessary or*
34 *desirable to issue bonds authorized pursuant to this chapter in*
35 *order to carry out the purposes described in this chapter and, if*
36 *so, the amount of bonds to be issued and sold. Successive issues*
37 *of bonds may be authorized and sold to carry out those actions*
38 *progressively, and it is not necessary that all of the bonds*
39 *authorized to be issued be sold at any one time.*

1 101035.5. *There shall be collected each year and in the same*
2 *manner and at the same time as other state revenue is collected,*
3 *in addition to the ordinary revenues of the state, a sum in an*
4 *amount required to pay the principal of, and interest on, the*
5 *bonds each year. It is the duty of all officers charged by law with*
6 *any duty in regard to the collection of the revenue to do and*
7 *perform each and every act which is necessary to collect that*
8 *additional sum.*

9 101036. *Notwithstanding Section 13340 of the Government*
10 *Code, there is hereby appropriated from the General Fund in the*
11 *State Treasury, for the purposes of this chapter, an amount that*
12 *will equal the total of the following:*

13 (a) *The sum annually necessary to pay the principal of, and*
14 *interest on, bonds issued and sold pursuant to this chapter, as the*
15 *principal and interest become due and payable.*

16 (b) *The sum necessary to carry out Section 101037.5,*
17 *appropriated without regard to fiscal years.*

18 101036.5. *The board, as defined in subdivision (b) of Section*
19 *101034.5, may request the Pooled Money Investment Board to*
20 *make a loan from the Pooled Money Investment Account or any*
21 *other approved form of interim financing, in accordance with*
22 *Section 16312 of the Government Code, for the purpose of*
23 *carrying out this chapter. The amount of the request shall not*
24 *exceed the amount of the unsold bonds that the committee, by*
25 *resolution, has authorized to be sold for the purpose of carrying*
26 *out this chapter. The board, as defined in subdivision (b) of*
27 *Section 101034.5, shall execute any documents required by the*
28 *Pooled Money Investment Board to obtain and repay the loan.*
29 *Any amounts loaned shall be deposited in the fund to be*
30 *allocated by the board in accordance with this chapter.*

31 101037. *Notwithstanding any other provision of this chapter,*
32 *or of the State General Obligation Bond Law, if the Treasurer*
33 *sells bonds pursuant to this chapter that include a bond counsel*
34 *opinion to the effect that the interest on the bonds is excluded*
35 *from gross income for federal tax purposes, subject to designated*
36 *conditions, the Treasurer may maintain separate accounts for the*
37 *investment of bond proceeds and for the investment earnings on*
38 *those proceeds. The Treasurer may use or direct the use of those*
39 *proceeds or earnings to pay any rebate, penalty, or other*
40 *payment required under federal law or take any other action with*

1 *respect to the investment and use of those bond proceeds*
2 *required or desirable under federal law to maintain the*
3 *tax-exempt status of those bonds and to obtain any other*
4 *advantage under federal law on behalf of the funds of this state.*

5 *101037.5. (a) For the purposes of carrying out this chapter,*
6 *the Director of Finance may authorize the withdrawal from the*
7 *General Fund of an amount not to exceed the amount of the*
8 *unsold bonds that have been authorized by the Higher Education*
9 *Facilities Finance Committee to be sold for the purpose of*
10 *carrying out this chapter. Any amounts withdrawn shall be*
11 *deposited in the 2006 California Community College Capital*
12 *Outlay Bond Fund consistent with this chapter. Any money made*
13 *available under this section shall be returned to the General*
14 *Fund, plus an amount equal to the interest that the money would*
15 *have earned in the Pooled Money Investment Account, from*
16 *proceeds received from the sale of bonds for the purpose of*
17 *carrying out this chapter.*

18 *(b) Any request forwarded to the Legislature and the*
19 *Department of Finance for funds from this bond issue for*
20 *expenditure for the purposes described in this chapter by the*
21 *California Community Colleges shall be accompanied by the*
22 *five-year capital outlay plan that reflects the needs and priorities*
23 *of the community college system and is prioritized on a statewide*
24 *basis. Requests shall include a schedule that prioritizes the*
25 *seismic retrofitting needed to significantly reduce, in the*
26 *judgment of the particular college, seismic hazards in buildings*
27 *identified as high priority by the college.*

28 *101038. All money deposited in the 2006 California*
29 *Community College Capital Outlay Bond Fund that is derived*
30 *from premium and accrued interest on bonds sold shall be*
31 *reserved in the fund and shall be available for transfer to the*
32 *General Fund as a credit to expenditures for bond interest.*

33 *101039. The bonds may be refunded in accordance with*
34 *Article 6 (commencing with Section 16780) of Chapter 4 of Part*
35 *3 of Division 4 of Title 2 of the Government Code, which is a part*
36 *of the State General Obligation Bond Law. Approval by the*
37 *voters of the state for the issuance of the bonds described in this*
38 *chapter includes the approval of the issuance of any bonds issued*
39 *to refund any bonds originally issued under this chapter or any*
40 *previously issued refunding bonds.*

1 101039.5. *The Legislature hereby finds and declares that,*
2 *inasmuch as the proceeds from the sale of bonds authorized by*
3 *this chapter are not “proceeds of taxes” as that term is used in*
4 *Article XIII B of the California Constitution, the disbursement of*
5 *these proceeds is not subject to the limitations imposed by that*
6 *article.*

7
8 *CHAPTER 4. UNIVERSITY FACILITIES*
9

10 *Article 1. General*
11

12 101040. (a) *The system of public universities in this state*
13 *includes the University of California, the Hastings College of the*
14 *Law, and the California State University, and their respective*
15 *off-campus centers.*

16 (b) *The 2006 University Capital Outlay Bond Fund is hereby*
17 *established in the State Treasury for deposit of funds from the*
18 *proceeds of bonds issued and sold for the purposes of this*
19 *chapter.*

20 (c) *The Higher Education Facilities Finance Committee*
21 *established pursuant to Section 67353 is hereby authorized to*
22 *create a debt or debts, liability or liabilities, of the State of*
23 *California pursuant to this chapter for the purpose of providing*
24 *funds to aid the University of California, the Hastings College of*
25 *the Law, and the California State University.*

26
27 *Article 2. Program Provisions Applicable to the University of*
28 *California and the Hastings College of the Law*
29

30 101041. (a) *From the proceeds of bonds issued and sold*
31 *pursuant to Article 4 (commencing with Section 101050), the sum*
32 *of eight hundred ninety million dollars (\$890,000,000) shall be*
33 *deposited in the 2006 University Capital Outlay Bond Fund for*
34 *the purposes of this article. When appropriated, these funds shall*
35 *be available for expenditure for the purposes of this article.*

36 (b) *The purposes of this article include assisting in meeting the*
37 *capital outlay financing needs of the University of California and*
38 *the Hastings College of the Law.*

39 (c) *Of the amount made available under subdivision (a), the*
40 *amount of two hundred million dollars (\$200,000,000) shall be*

1 *used for capital improvements that expand and enhance medical*
 2 *education programs with an emphasis on telemedicine aimed at*
 3 *developing high-tech approaches to health care.*

4 *(d) Proceeds from the sale of bonds issued and sold for the*
 5 *purposes of this article may be used to fund construction on*
 6 *existing campuses, including the construction of buildings and*
 7 *the acquisition of related fixtures, construction of facilities that*
 8 *may be used by more than one segment of public higher*
 9 *education (intersegmental), the renovation and reconstruction of*
 10 *facilities, site acquisition, the equipping of new, renovated, or*
 11 *reconstructed facilities, which equipment shall have an average*
 12 *useful life of 10 years; and to provide funds for the payment of*
 13 *preconstruction costs, including, but not limited to, preliminary*
 14 *plans and working drawings for facilities of the University of*
 15 *California and the Hastings College of the Law.*

16
 17 *Article 3. Program Provisions Applicable to the California*
 18 *State University*
 19

20 *101042. (a) From the proceeds of bonds issued and sold*
 21 *pursuant to Article 4 (commencing with Section 101050), the sum*
 22 *of six hundred ninety million dollars (\$690,000,000) shall be*
 23 *deposited in the 2006 University Capital Outlay Bond Fund for*
 24 *the purposes of this article. When appropriated, these funds shall*
 25 *be available for expenditure for the purposes of this article.*

26 *(b) The purposes of this article include assisting in meeting the*
 27 *capital outlay financing needs of the California State University.*

28 *(c) Proceeds from the sale of bonds issued and sold for the*
 29 *purposes of this article may be used to fund construction on*
 30 *existing campuses, including the construction of buildings and*
 31 *the acquisition of related fixtures, construction of facilities that*
 32 *may be used by more than one segment of public higher*
 33 *education (intersegmental), the renovation and reconstruction of*
 34 *facilities, site acquisition, the equipping of new, renovated, or*
 35 *reconstructed facilities, which equipment shall have an average*
 36 *useful life of 10 years; and to provide funds for the payment of*
 37 *preconstruction costs, including, but not limited to, preliminary*
 38 *plans and working drawings for facilities of the California State*
 39 *University.*

Article 4. University Fiscal Provisions

101050. (a) Of the total amount of bonds authorized to be issued and sold pursuant to Chapter 1 (commencing with Section 101000), bonds in the amount of one billion five hundred eighty million dollars (\$1,580,000,000), not including the amount of any refunding bonds issued in accordance with Section 101059, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of the principal of, and interest on, the bonds as the principal and interest become due and payable.

(b) It is the intent of the Legislature that the University of California and the California State University annually consider, as part of their annual capital outlay planning process, the inclusion of facilities that may be used by more than one segment of public higher education (intersegmental), and, that on or before May 15th of each year, those entities report their findings to the budget committees of each house of the Legislature.

(c) Pursuant to this section, the Treasurer shall sell the bonds authorized by the Higher Education Facilities Finance Committee established pursuant to Section 67353 at any different times necessary to service expenditures required by the apportionments.

101051. (a) The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law, except Section 16727 of the Government Code to the extent that it conflicts with this part, apply to the bonds and to this chapter and are hereby incorporated into this chapter as though set forth in full within this chapter.

(b) For the purposes of the State General Obligation Bond Law, each state agency administering an appropriation of the

1 2006 University Capital Outlay Bond Fund is designated as the
2 “board” for projects funded pursuant to this chapter.

3 (c) The proceeds of the bonds issued and sold pursuant to this
4 chapter shall be available for the purpose of funding aid to the
5 University of California, the Hastings College of the Law, and
6 the California State University, for the construction on existing
7 or new campuses, and their respective off-campus centers and
8 joint use and intersegmental facilities, as set forth in this chapter.

9 101052. The Higher Education Facilities Finance Committee
10 established pursuant to Section 67353 shall authorize the
11 issuance of bonds under this chapter only to the extent necessary
12 to fund the apportionments for the purposes described in this
13 chapter that are expressly authorized by the Legislature in the
14 annual Budget Act. Pursuant to that legislative direction, the
15 committee shall determine whether or not it is necessary or
16 desirable to issue bonds authorized pursuant to this chapter in
17 order to carry out the purposes described in this chapter and, if
18 so, the amount of bonds to be issued and sold. Successive issues
19 of bonds may be authorized and sold to carry out those actions
20 progressively, and it is not necessary that all of the bonds
21 authorized to be issued be sold at any one time.

22 101053. There shall be collected each year and in the same
23 manner and at the same time as other state revenue is collected,
24 in addition to the ordinary revenues of the state, a sum in an
25 amount required to pay the principal of, and interest on, the
26 bonds each year. It is the duty of all officers charged by law with
27 any duty in regard to the collection of the revenue to do and
28 perform each and every act which is necessary to collect that
29 additional sum.

30 101054. Notwithstanding Section 13340 of the Government
31 Code, there is hereby appropriated from the General Fund in the
32 State Treasury, for the purposes of this chapter, an amount that
33 will equal the total of the following:

34 (a) The sum annually necessary to pay the principal of, and
35 interest on, bonds issued and sold pursuant to this chapter, as the
36 principal and interest become due and payable.

37 (b) The sum necessary to carry out Section 101057,
38 appropriated without regard to fiscal years.

39 101055. The board, as defined in subdivision (b) of Section
40 101051, may request the Pooled Money Investment Board to

1 *make a loan from the Pooled Money Investment Account or any*
2 *other approved form of interim financing, in accordance with*
3 *Section 16312 of the Government Code, for the purpose of*
4 *carrying out this chapter. The amount of the request shall not*
5 *exceed the amount of the unsold bonds that the committee, by*
6 *resolution, has authorized to be sold for the purpose of carrying*
7 *out this chapter. The board, as defined in subdivision (b) of*
8 *Section 101051, shall execute any documents required by the*
9 *Pooled Money Investment Board to obtain and repay the loan.*
10 *Any amounts loaned shall be deposited in the fund to be*
11 *allocated by the board in accordance with this chapter.*

12 *101056. Notwithstanding any other provision of this chapter,*
13 *or of the State General Obligation Bond Law, if the Treasurer*
14 *sells bonds pursuant to this chapter that include a bond counsel*
15 *opinion to the effect that the interest on the bonds is excluded*
16 *from gross income for federal tax purposes, subject to designated*
17 *conditions, the Treasurer may maintain separate accounts for the*
18 *investment of bond proceeds and for the investment earnings on*
19 *those proceeds. The Treasurer may use or direct the use of those*
20 *proceeds or earnings to pay any rebate, penalty, or other*
21 *payment required under federal law or take any other action with*
22 *respect to the investment and use of those bond proceeds*
23 *required or desirable under federal law to maintain the*
24 *tax-exempt status of those bonds and to obtain any other*
25 *advantage under federal law on behalf of the funds of this state.*

26 *101057. (a) For the purposes of carrying out this chapter,*
27 *the Director of Finance may authorize the withdrawal from the*
28 *General Fund of an amount not to exceed the amount of the*
29 *unsold bonds that have been authorized by the Higher Education*
30 *Facilities Finance Committee to be sold for the purpose of*
31 *carrying out this chapter. Any amounts withdrawn shall be*
32 *deposited in the 2006 University Capital Outlay Bond Fund*
33 *consistent with this chapter. Any money made available under*
34 *this section shall be returned to the General Fund, plus an*
35 *amount equal to the interest that the money would have earned in*
36 *the Pooled Money Investment Account, from proceeds received*
37 *from the sale of bonds for the purpose of carrying out this*
38 *chapter.*

39 *(b) Any request forwarded to the Legislature and the*
40 *Department of Finance for funds from this bond issue for*

1 expenditure for the purposes described in this chapter by the
2 University of California, the Hastings College of the Law, or the
3 California State University shall be accompanied by the five-year
4 capital outlay plan. Requests forwarded by a university or
5 college shall include a schedule that prioritizes the seismic
6 retrofitting needed to significantly reduce, in the judgment of the
7 particular university or college, seismic hazards in buildings
8 identified as high priority by the university or college.

9 101058. All money deposited in the 2006 University Capital
10 Outlay Bond Fund that is derived from premium and accrued
11 interest on bonds sold shall be reserved in the fund and shall be
12 available for transfer to the General Fund as a credit to
13 expenditures for bond interest.

14 101059. The bonds may be refunded in accordance with
15 Article 6 (commencing with Section 16780) of Chapter 4 of Part
16 3 of Division 4 of Title 2 of the Government Code, which is a part
17 of the State General Obligation Bond Law. Approval by the
18 voters of the state for the issuance of the bonds described in this
19 chapter includes the approval of the issuance of any bonds issued
20 to refund any bonds originally issued under this chapter or any
21 previously issued refunding bonds.

22 101060. The Legislature hereby finds and declares that,
23 inasmuch as the proceeds from the sale of bonds authorized by
24 this chapter are not “proceeds of taxes” as that term is used in
25 Article XIII B of the California Constitution, the disbursement of
26 these proceeds is not subject to the limitations imposed by that
27 article.

28 SEC. 17. Part 69.2 (commencing with Section 102000) is
29 added to the Education Code, to read:

30
31 **PART 69.2. KINDERGARTEN-UNIVERSITY PUBLIC**
32 **EDUCATION FACILITIES BOND ACT OF 2008**

33
34 **CHAPTER 1. GENERAL**

35
36 102000. This part shall be known and may be cited as the
37 Kindergarten-University Public Education Facilities Bond Act of
38 2008.

1 102001. The incorporation of, or reference to, any provision
2 of California statutory law in this part includes all acts
3 amendatory thereof and supplementary thereto.

4 102002. (a) Bonds in the total amount of nine billion
5 eighty-seven million dollars (\$9,087,000,000), not including the
6 amount of any refunding bonds issued in accordance with
7 Sections 102030, 102039, and 102059, or so much thereof as is
8 necessary, may be issued and sold to provide a fund to be used
9 for carrying out the purposes expressed in this part and to
10 reimburse the General Obligation Bond Expense Revolving Fund
11 pursuant to Section 16724.5 of the Government Code. The bonds,
12 when sold, shall be and constitute a valid and binding obligation
13 of the State of California, and the full faith and credit of the State
14 of California is hereby pledged for the punctual payment of the
15 principal of, and interest on, the bonds as the principal and
16 interest become due and payable.

17 (b) Pursuant to this section, the Treasurer shall sell the bonds
18 authorized by the State School Building Finance Committee
19 established by Section 15909 or the Higher Education Facilities
20 Finance Committee established pursuant to Section 67353, as the
21 case may be, at any different times necessary to service
22 expenditures required by the apportionments.

23
24 *CHAPTER 2. KINDERGARTEN THROUGH 12TH GRADE*

25
26 *Article 1. Kindergarten Through 12th Grade School Facilities*
27 *Program Provisions*
28

29 102010. The proceeds of bonds issued and sold pursuant to
30 Article 2 (commencing with Section 102020) shall be deposited
31 in the 2008 State School Facilities Fund established in the State
32 Treasury under subdivision (e) of Section 17070.40 and shall be
33 allocated by the State Allocation Board pursuant to this chapter.

34 102011. All moneys deposited in the 2008 State School
35 Facilities Fund for the purposes of this chapter shall be available
36 to provide aid to school districts, county superintendents of
37 schools, and county boards of education of the state in
38 accordance with the Leroy F. Greene School Facilities Act of
39 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part
40 10), as set forth in Section 102012, to provide funds to repay any

1 money advanced or loaned to the 2008 State School Facilities
2 Fund under any act of the Legislature, together with interest
3 provided for in that act, and to reimburse the General Obligation
4 Bond Expense Revolving Fund pursuant to Section 16724.5 of
5 the Government Code.

6 102012. (a) The proceeds from the sale of bonds, issued and
7 sold for the purposes of this chapter, shall be allocated in
8 accordance with the following schedule:

9 (1) The amount of three billion dollars (\$3,000,000,000) for
10 new construction of school facilities of applicant school districts
11 under Chapter 12.5 (commencing with Section 17070.10) of Part
12 10.

13 (2) The amount of five hundred million dollars (\$500,000,000)
14 shall be available for providing school facilities to charter
15 schools pursuant to Article 12 (commencing with Section
16 17078.52) of Chapter 12.5 of Part 10.

17 (3) The amount of one billion two hundred million dollars
18 (\$1,200,000,000) for the modernization of school facilities
19 pursuant to Chapter 12.5 (commencing with Section 17070.10) of
20 Part 10.

21 (4) The amount of five hundred million dollars (\$500,000,000)
22 for the purposes set forth in Article 13 (commencing with Section
23 17078.70) of Chapter 12.5 of Part 10, relating to facilities for
24 career technical education programs.

25 (5) Of the amount allocated under paragraphs (1) and (3), up
26 to two hundred million dollars (\$200,000,000) for the purposes
27 set forth in Chapter 894 of the Statutes of 2004, relating to
28 incentives for the creation of smaller learning communities and
29 small high schools.

30 (6) The amount of one billion dollars (\$1,000,000,000) shall
31 be available for providing new construction funding to severely
32 overcrowded schoolsites pursuant to Article 14 (commencing
33 with Section 17079) of Chapter 12.5 of Part 10.

34 (b) School districts may use funds allocated pursuant to
35 paragraph (3) of subdivision (a) only for one or more of the
36 following purposes in accordance with Chapter 12.5
37 (commencing with Section 17070.10) of Part 10:

38 (1) The purchase and installation of air-conditioning
39 equipment and insulation materials, and related costs.

1 (2) Construction projects or the purchase of furniture or
2 equipment designed to increase school security or playground
3 safety.

4 (3) The identification, assessment, or abatement in school
5 facilities of hazardous asbestos.

6 (4) Project funding for high priority roof replacement
7 projects.

8 (5) Any other modernization of facilities pursuant to Chapter
9 12.5 (commencing with Section 17070.10) of Part 10.

10 (c) Funds allocated pursuant to paragraph (1) of subdivision
11 (a) may also be utilized to provide new construction grants for
12 eligible applicant county boards of education under Chapter 12.5
13 (commencing with Section 17070.10) of Part 10 for funding
14 classrooms for severely handicapped pupils, or for funding
15 classrooms for county community school pupils.

16 (d) (1) The Legislature may amend this section to adjust the
17 funding amounts specified in paragraphs (1) to (6), inclusive, of
18 subdivision (a), only by either of the following methods:

19 (A) By a statute, passed in each house of the Legislature by
20 rollcall vote entered in the respective journals, by not less than
21 two-thirds of the membership in each house concurring, if the
22 statute is consistent with, and furthers the purposes of, this
23 chapter.

24 (B) By a statute that becomes effective only when approved by
25 the voters.

26 (2) Amendments pursuant to this subdivision may adjust the
27 amounts to be expended pursuant to paragraphs (1) to (6),
28 inclusive, of subdivision (a), but may not increase or decrease
29 the total amount to be expended pursuant to that subdivision.

30 (e) Funds available pursuant to this section may be used for
31 acquisition of school facilities authorized pursuant to Section
32 17280.5.

33
34 Article 2. Kindergarten Through 12th Grade School Facilities
35 Fiscal Provisions
36

37 102020. (a) Of the total amount of bonds authorized to be
38 issued and sold pursuant to Chapter 1 (commencing with Section
39 101000), bonds in the amount of six billion two hundred million
40 dollars (\$6,200,000,000) not including the amount of any

1 *refunding bonds issued in accordance with Section 102030, or so*
2 *much thereof as is necessary, may be issued and sold to provide*
3 *a fund to be used for carrying out the purposes expressed in this*
4 *chapter and to reimburse the General Obligation Bond Expense*
5 *Revolving Fund pursuant to Section 16724.5 of the Government*
6 *Code. The bonds, when sold, shall be and constitute a valid and*
7 *binding obligation of the State of California, and the full faith*
8 *and credit of the State of California is hereby pledged for the*
9 *punctual payment of the principal of, and interest on, the bonds*
10 *as the principal and interest become due and payable.*

11 *(b) Pursuant to this section, the Treasurer shall sell the bonds*
12 *authorized by the State School Building Finance Committee*
13 *established pursuant to Section 15909 at any different times*
14 *necessary to service expenditures required by the*
15 *apportionments.*

16 *102021. The State School Building Finance Committee,*
17 *established by Section 15909 and composed of the Governor, the*
18 *Controller, the Treasurer, the Director of Finance, and the*
19 *Superintendent of Public Instruction, or their designated*
20 *representatives, all of whom shall serve thereon without*
21 *compensation, and a majority of whom shall constitute a quorum,*
22 *is continued in existence for the purpose of this chapter. The*
23 *Treasurer shall serve as chairperson of the committee. Two*
24 *Members of the Senate appointed by the Senate Committee on*
25 *Rules, and two Members of the Assembly appointed by the*
26 *Speaker of the Assembly, shall meet with and provide advice to*
27 *the committee to the extent that the advisory participation is not*
28 *incompatible with their respective positions as Members of the*
29 *Legislature. For the purposes of this chapter, the Members of the*
30 *Legislature shall constitute an interim investigating committee on*
31 *the subject of this chapter and, as that committee, shall have the*
32 *powers granted to, and duties imposed upon, those committees by*
33 *the Joint Rules of the Senate and the Assembly. The Director of*
34 *Finance shall provide assistance to the committee as it may*
35 *require. The Attorney General of the state is the legal adviser of*
36 *the committee.*

37 *102022. (a) The bonds authorized by this chapter shall be*
38 *prepared, executed, issued, sold, paid, and redeemed as provided*
39 *in the State General Obligation Bond Law (Chapter 4*
40 *(commencing with Section 16720) of Part 3 of Division 4 of Title*

1 2 of the Government Code), and all of the provisions of that law,
2 except Section 16727 of the Government Code to the extent that
3 it conflicts with this part, apply to the bonds and to this chapter
4 and are hereby incorporated into this chapter as though set forth
5 in full within this chapter.

6 (b) For purposes of the State General Obligation Bond Law,
7 the State Allocation Board is designated the “board” for
8 purposes of administering the 2008 State School Facilities Fund.

9 102023. (a) Upon request of the State Allocation Board, the
10 State School Building Finance Committee shall determine
11 whether or not it is necessary or desirable to issue bonds
12 authorized pursuant to this chapter in order to fund the
13 apportionments and, if so, the amount of bonds to be issued and
14 sold. Successive issues of bonds may be authorized and sold to
15 fund those apportionments progressively, and it is not necessary
16 that all of the bonds authorized to be issued be sold at any one
17 time.

18 (b) A request of the State Allocation Board pursuant to
19 subdivision (a) shall be supported by a statement of the
20 apportionments made and to be made for the purposes described
21 in Sections 102011 and 102012.

22 102024. There shall be collected each year and in the same
23 manner and at the same time as other state revenue is collected,
24 in addition to the ordinary revenues of the state, a sum in an
25 amount required to pay the principal of, and interest on, the
26 bonds each year. It is the duty of all officers charged by law with
27 any duty in regard to the collection of the revenue to do and
28 perform each and every act that is necessary to collect that
29 additional sum.

30 102025. Notwithstanding Section 13340 of the Government
31 Code, there is hereby appropriated from the General Fund in the
32 State Treasury, for the purposes of this chapter, an amount that
33 will equal the total of the following:

34 (a) The sum annually necessary to pay the principal of, and
35 interest on, bonds issued and sold pursuant to this chapter, as the
36 principal and interest become due and payable.

37 (b) The sum necessary to carry out Section 102028,
38 appropriated without regard to fiscal years.

39 102026. The State Allocation Board may request the Pooled
40 Money Investment Board to make a loan from the Pooled Money

1 *Investment Account or any other approved form of interim*
2 *financing, in accordance with Section 16312 of the Government*
3 *Code, for the purpose of carrying out this chapter. The amount of*
4 *the request shall not exceed the amount of the unsold bonds that*
5 *the committee, by resolution, has authorized to be sold for the*
6 *purpose of carrying out this chapter. The board shall execute any*
7 *documents required by the Pooled Money Investment Board to*
8 *obtain and repay the loan. Any amounts loaned shall be*
9 *deposited in the fund to be allocated by the board in accordance*
10 *with this chapter.*

11 *102027. Notwithstanding any other provision of this chapter,*
12 *or of the State General Obligation Bond Law, if the Treasurer*
13 *sells bonds pursuant to this chapter that include a bond counsel*
14 *opinion to the effect that the interest on the bonds is excluded*
15 *from gross income for federal tax purposes, subject to designated*
16 *conditions, the Treasurer may maintain separate accounts for the*
17 *investment of bond proceeds and for the investment earnings on*
18 *those proceeds. The Treasurer may use or direct the use of those*
19 *proceeds or earnings to pay any rebate, penalty, or other*
20 *payment required under federal law or take any other action with*
21 *respect to the investment and use of those bond proceeds*
22 *required or desirable under federal law to maintain the*
23 *tax-exempt status of those bonds and to obtain any other*
24 *advantage under federal law on behalf of the funds of this state.*

25 *102028. For the purposes of carrying out this chapter, the*
26 *Director of Finance may authorize the withdrawal from the*
27 *General Fund of an amount not to exceed the amount of the*
28 *unsold bonds that have been authorized by the State School*
29 *Building Finance Committee to be sold for the purpose of*
30 *carrying out this chapter. Any amounts withdrawn shall be*
31 *deposited in the 2008 State School Facilities Fund consistent*
32 *with this chapter. Any money made available under this section*
33 *shall be returned to the General Fund, plus an amount equal to*
34 *the interest that the money would have earned in the Pooled*
35 *Money Investment Account, from proceeds received from the sale*
36 *of bonds for the purpose of carrying out this chapter.*

37 *102029. All money deposited in the 2008 State School*
38 *Facilities Fund, that is derived from premium and accrued*
39 *interest on bonds sold shall be reserved in the fund and shall be*

1 available for transfer to the General Fund as a credit to
2 expenditures for bond interest.

3 102030. The bonds may be refunded in accordance with
4 Article 6 (commencing with Section 16780) of Chapter 4 of Part
5 3 of Division 4 of Title 2 of the Government Code, which is a part
6 of the State General Obligation Bond Law. Approval by the
7 voters of the state for the issuance of the bonds described in this
8 chapter includes the approval of the issuance of any bonds issued
9 to refund any bonds originally issued under this chapter or any
10 previously issued refunding bonds.

11 102031. The Legislature hereby finds and declares that,
12 inasmuch as the proceeds from the sale of bonds authorized by
13 this chapter are not “proceeds of taxes” as that term is used in
14 Article XIII B of the California Constitution, the disbursement of
15 these proceeds is not subject to the limitations imposed by that
16 article.

17
18 *CHAPTER 3. CALIFORNIA COMMUNITY COLLEGE FACILITIES*

19
20 *Article 1. General*

21
22 102032. (a) The 2008 California Community College Capital
23 Outlay Bond Fund is hereby established in the State Treasury for
24 deposit of funds from the proceeds of bonds issued and sold for
25 the purposes of this chapter.

26 (b) The Higher Education Facilities Finance Committee
27 established pursuant to Section 67353 is hereby authorized to
28 create a debt or debts, liability or liabilities, of the State of
29 California pursuant to this chapter for the purpose of providing
30 funds to aid the California Community Colleges.

31
32 *Article 2. California Community College Program Provisions*

33
34 102033. (a) From the proceeds of bonds issued and sold
35 pursuant to Article 3 (commencing with Section 102034), the sum
36 of one billion five hundred seven million dollars
37 (\$1,507,000,000) shall be deposited in the 2008 California
38 Community College Capital Outlay Bond Fund for the purposes
39 of this article. When appropriated, these funds shall be available
40 for expenditure for the purposes of this article.

1 ***(b) The purposes of this article include assisting in meeting the***
2 ***capital outlay financing needs of the California Community***
3 ***Colleges.***

4 ***(c) Proceeds from the sale of bonds issued and sold for the***
5 ***purposes of this article may be used to fund construction on***
6 ***existing campuses, including the construction of buildings and***
7 ***the acquisition of related fixtures, construction of facilities that***
8 ***may be used by more than one segment of public higher***
9 ***education (intersegmental), the renovation and reconstruction of***
10 ***facilities, site acquisition, the equipping of new, renovated, or***
11 ***reconstructed facilities, which equipment shall have an average***
12 ***useful life of 10 years; and to provide funds for the payment of***
13 ***preconstruction costs, including, but not limited to, preliminary***
14 ***plans and working drawings for facilities of the California***
15 ***Community Colleges.***

16
17 **Article 3. California Community College Fiscal Provisions**
18

19 **102034. (a) Of the total amount of bonds authorized to be**
20 ***issued and sold pursuant to Chapter 1 (commencing with Section***
21 ***102000), bonds in the total amount of one billion five hundred***
22 ***seven million dollars (\$1,507,000,000), not including the amount***
23 ***of any refunding bonds issued in accordance with Section***
24 ***102039, or so much thereof as is necessary, may be issued and***
25 ***sold to provide a fund to be used for carrying out the purposes***
26 ***expressed in this chapter and to reimburse the General***
27 ***Obligation Bond Expense Revolving Fund pursuant to Section***
28 ***16724.5 of the Government Code. The bonds, when sold, shall be***
29 ***and constitute a valid and binding obligation of the State of***
30 ***California, and the full faith and credit of the State of California***
31 ***is hereby pledged for the punctual payment of the principal of,***
32 ***and interest on, the bonds as the principal and interest become***
33 ***due and payable.***

34 ***(b) It is the intent of the Legislature that the California***
35 ***Community Colleges annually consider, as part of their annual***
36 ***capital outlay planning process, the inclusion of facilities that***
37 ***may be used by more than one segment of public higher***
38 ***education (intersegmental), and, that on or before May 15th of***
39 ***each year, those entities report their findings to the budget***
40 ***committees of each house of the Legislature.***

1 (c) Pursuant to this section, the Treasurer shall sell the bonds
2 authorized by the Higher Education Facilities Finance
3 Committee established pursuant to Section 67353 at any different
4 times necessary to service expenditures required by the
5 apportionments.

6 102034.5. (a) The bonds authorized by this chapter shall be
7 prepared, executed, issued, sold, paid, and redeemed as provided
8 in the State General Obligation Bond Law (Chapter 4
9 (commencing with Section 16720) of Part 3 of Division 4 of Title
10 2 of the Government Code), and all of the provisions of that law,
11 except Section 16727 of the Government Code to the extent that
12 it conflicts with this part, apply to the bonds and to this chapter
13 and are hereby incorporated into this chapter as though set forth
14 in full within this chapter.

15 (b) For the purposes of the State General Obligation Bond
16 Law, each state agency administering an appropriation of the
17 2008 Community College Capital Outlay Bond Fund is
18 designated as the “board” for projects funded pursuant to this
19 chapter.

20 (c) The proceeds of the bonds issued and sold pursuant to this
21 chapter shall be available for the purpose of funding aid to the
22 California Community Colleges for the construction on existing
23 or new campuses, and their respective off-campus centers and
24 joint use and intersegmental facilities, as set forth in this chapter.

25 102035. The Higher Education Facilities Finance Committee
26 established pursuant to Section 67353 shall authorize the
27 issuance of bonds under this chapter only to the extent necessary
28 to fund the apportionments for the purposes described in this
29 chapter that are expressly authorized by the Legislature in the
30 annual Budget Act. Pursuant to that legislative direction, the
31 committee shall determine whether or not it is necessary or
32 desirable to issue bonds authorized pursuant to this chapter in
33 order to carry out the purposes described in this chapter and, if
34 so, the amount of bonds to be issued and sold. Successive issues
35 of bonds may be authorized and sold to carry out those actions
36 progressively, and it is not necessary that all of the bonds
37 authorized to be issued be sold at any one time.

38 102035.5. There shall be collected each year and in the same
39 manner and at the same time as other state revenue is collected,
40 in addition to the ordinary revenues of the state, a sum in an

1 amount required to pay the principal of, and interest on, the
2 bonds each year. It is the duty of all officers charged by law with
3 any duty in regard to the collection of the revenue to do and
4 perform each and every act which is necessary to collect that
5 additional sum.

6 102036. Notwithstanding Section 13340 of the Government
7 Code, there is hereby appropriated from the General Fund in the
8 State Treasury, for the purposes of this chapter, an amount that
9 will equal the total of the following:

10 (a) The sum annually necessary to pay the principal of, and
11 interest on, bonds issued and sold pursuant to this chapter, as the
12 principal and interest become due and payable.

13 (b) The sum necessary to carry out Section 102037.5,
14 appropriated without regard to fiscal years.

15 102036.5. The board, as defined in subdivision (b) of Section
16 102034.5, may request the Pooled Money Investment Board to
17 make a loan from the Pooled Money Investment Account or any
18 other approved form of interim financing, in accordance with
19 Section 16312 of the Government Code, for the purpose of
20 carrying out this chapter. The amount of the request shall not
21 exceed the amount of the unsold bonds that the committee, by
22 resolution, has authorized to be sold for the purpose of carrying
23 out this chapter. The board, as defined in subdivision (b) of
24 Section 102034.5, shall execute any documents required by the
25 Pooled Money Investment Board to obtain and repay the loan.
26 Any amounts loaned shall be deposited in the fund to be
27 allocated by the board in accordance with this chapter.

28 102037. Notwithstanding any other provision of this chapter,
29 or of the State General Obligation Bond Law, if the Treasurer
30 sells bonds pursuant to this chapter that include a bond counsel
31 opinion to the effect that the interest on the bonds is excluded
32 from gross income for federal tax purposes, subject to designated
33 conditions, the Treasurer may maintain separate accounts for the
34 investment of bond proceeds and for the investment earnings on
35 those proceeds. The Treasurer may use or direct the use of those
36 proceeds or earnings to pay any rebate, penalty, or other
37 payment required under federal law or take any other action with
38 respect to the investment and use of those bond proceeds
39 required or desirable under federal law to maintain the

1 *tax-exempt status of those bonds and to obtain any other*
2 *advantage under federal law on behalf of the funds of this state.*

3 *102037.5. (a) For the purposes of carrying out this chapter,*
4 *the Director of Finance may authorize the withdrawal from the*
5 *General Fund of an amount not to exceed the amount of the*
6 *unsold bonds that have been authorized by the Higher Education*
7 *Facilities Finance Committee to be sold for the purpose of*
8 *carrying out this chapter. Any amounts withdrawn shall be*
9 *deposited in the 2008 California Community College Capital*
10 *Outlay Bond Fund consistent with this chapter. Any money made*
11 *available under this section shall be returned to the General*
12 *Fund, plus an amount equal to the interest that the money would*
13 *have earned in the Pooled Money Investment Account, from*
14 *proceeds received from the sale of bonds for the purpose of*
15 *carrying out this chapter.*

16 *(b) Any request forwarded to the Legislature and the*
17 *Department of Finance for funds from this bond issue for*
18 *expenditure for the purposes described in this chapter by the*
19 *California Community Colleges shall be accompanied by the*
20 *five-year capital outlay plan that reflects the needs and priorities*
21 *of the community college system and is prioritized on a statewide*
22 *basis. Requests shall include a schedule that prioritizes the*
23 *seismic retrofitting needed to significantly reduce, in the*
24 *judgment of the particular college, seismic hazards in buildings*
25 *identified as high priority by the college.*

26 *102038. All money deposited in the 2008 California*
27 *Community College Capital Outlay Bond Fund that is derived*
28 *from premium and accrued interest on bonds sold shall be*
29 *reserved in the fund and shall be available for transfer to the*
30 *General Fund as a credit to expenditures for bond interest.*

31 *102039. The bonds may be refunded in accordance with*
32 *Article 6 (commencing with Section 16780) of Chapter 4 of Part*
33 *3 of Division 4 of Title 2 of the Government Code, which is a part*
34 *of the State General Obligation Bond Law. Approval by the*
35 *voters of the state for the issuance of the bonds described in this*
36 *chapter includes the approval of the issuance of any bonds issued*
37 *to refund any bonds originally issued under this chapter or any*
38 *previously issued refunding bonds.*

39 *102039.5. The Legislature hereby finds and declares that,*
40 *inasmuch as the proceeds from the sale of bonds authorized by*

1 *this chapter are not “proceeds of taxes” as that term is used in*
2 *Article XIII B of the California Constitution, the disbursement of*
3 *these proceeds is not subject to the limitations imposed by that*
4 *article.*

5
6 *CHAPTER 4. UNIVERSITY FACILITIES*

7
8 *Article 1. General*
9

10 *102040. (a) The system of public universities in this state*
11 *includes the University of California, the Hastings College of the*
12 *Law, and the California State University, and their respective*
13 *off-campus centers.*

14 *(b) The 2008 University Capital Outlay Bond Fund is hereby*
15 *established in the State Treasury for deposit of funds from the*
16 *proceeds of bonds issued and sold for the purposes of this*
17 *chapter.*

18 *(c) The Higher Education Facilities Finance Committee*
19 *established pursuant to Section 67353 is hereby authorized to*
20 *create a debt or debts, liability or liabilities, of the State of*
21 *California pursuant to this chapter for the purpose of providing*
22 *funds to aid the University of California, the Hastings College of*
23 *the Law, and the California State University.*

24
25 *Article 2. Program Provisions Applicable to the University of*
26 *California and the Hastings College of the Law*
27

28 *102041. (a) From the proceeds of bonds issued and sold*
29 *pursuant to Article 4 (commencing with Section 102050), the sum*
30 *of six hundred ninety million dollars (\$690,000,000) shall be*
31 *deposited in the 2008 University Capital Outlay Bond Fund for*
32 *the purposes of this article. When appropriated, these funds shall*
33 *be available for expenditure for the purposes of this article.*

34 *(b) The purposes of this article include assisting in meeting the*
35 *capital outlay financing needs of the University of California and*
36 *the Hastings College of the Law.*

37 *(c) Proceeds from the sale of bonds issued and sold for the*
38 *purposes of this article may be used to fund construction on*
39 *existing campuses, including the construction of buildings and*
40 *the acquisition of related fixtures, construction of facilities that*

1 may be used by more than one segment of public higher
2 education (intersegmental), the renovation and reconstruction of
3 facilities, site acquisition, the equipping of new, renovated, or
4 reconstructed facilities, which equipment shall have an average
5 useful life of 10 years; and to provide funds for the payment of
6 preconstruction costs, including, but not limited to, preliminary
7 plans and working drawings for facilities of the University of
8 California and the Hastings College of the Law.

9
10 Article 3. Program Provisions Applicable to the California
11 State University
12

13 102042. (a) From the proceeds of bonds issued and sold
14 pursuant to Article 4 (commencing with Section 102050), the sum
15 of six hundred ninety million dollars (\$690,000,000) shall be
16 deposited in the 2008 University Capital Outlay Bond Fund for
17 the purposes of this article. When appropriated, these funds shall
18 be available for expenditure for the purposes of this article.

19 (b) The purposes of this article include assisting in meeting the
20 capital outlay financing needs of the California State University.

21 (c) Proceeds from the sale of bonds issued and sold for the
22 purposes of this article may be used to fund construction on
23 existing campuses, including the construction of buildings and
24 the acquisition of related fixtures, construction of facilities that
25 may be used by more than one segment of public higher
26 education (intersegmental), the renovation and reconstruction of
27 facilities, site acquisition, the equipping of new, renovated, or
28 reconstructed facilities, which equipment shall have an average
29 useful life of 10 years; and to provide funds for the payment of
30 preconstruction costs, including, but not limited to, preliminary
31 plans and working drawings for facilities of the California State
32 University.

33
34 Article 4. University Fiscal Provisions
35

36 102050. (a) Of the total amount of bonds authorized to be
37 issued and sold pursuant to Chapter 1 (commencing with Section
38 102000), bonds in the amount of one billion three hundred eighty
39 million dollars (\$1,380,000,000), not including the amount of
40 any refunding bonds issued in accordance with Section 102059,

1 *or so much thereof as is necessary, may be issued and sold to*
2 *provide a fund to be used for carrying out the purposes expressed*
3 *in this chapter and to reimburse the General Obligation Bond*
4 *Expense Revolving Fund pursuant to Section 16724.5 of the*
5 *Government Code. The bonds, when sold, shall be and constitute*
6 *a valid and binding obligation of the State of California, and the*
7 *full faith and credit of the State of California is hereby pledged*
8 *for the punctual payment of the principal of, and interest on, the*
9 *bonds as the principal and interest become due and payable.*

10 *(b) It is the intent of the Legislature that the University of*
11 *California and the California State University annually consider,*
12 *as part of their annual capital outlay planning process, the*
13 *inclusion of facilities that may be used by more than one segment*
14 *of public higher education (intersegmental), and, that on or*
15 *before May 15th of each year, those entities report their findings*
16 *to the budget committees of each house of the Legislature.*

17 *(c) Pursuant to this section, the Treasurer shall sell the bonds*
18 *authorized by the Higher Education Facilities Finance*
19 *Committee established pursuant to Section 67353 at any different*
20 *times necessary to service expenditures required by the*
21 *apportionments.*

22 *102051. (a) The bonds authorized by this chapter shall be*
23 *prepared, executed, issued, sold, paid, and redeemed as provided*
24 *in the State General Obligation Bond Law (Chapter 4*
25 *(commencing with Section 16720) of Part 3 of Division 4 of Title*
26 *2 of the Government Code), and all of the provisions of that law,*
27 *except Section 16727 of the Government Code to the extent that*
28 *it conflicts with this part, apply to the bonds and to this chapter*
29 *and are hereby incorporated into this chapter as though set forth*
30 *in full within this chapter.*

31 *(b) For the purposes of the State General Obligation Bond*
32 *Law, each state agency administering an appropriation of the*
33 *2008 University Capital Outlay Bond Fund is designated as the*
34 *“board” for projects funded pursuant to this chapter.*

35 *(c) The proceeds of the bonds issued and sold pursuant to this*
36 *chapter shall be available for the purpose of funding aid to the*
37 *University of California, the Hastings College of the Law, and*
38 *the California State University, for the construction on existing*
39 *or new campuses, and their respective off-campus centers and*
40 *joint use and intersegmental facilities, as set forth in this chapter.*

1 102052. *The Higher Education Facilities Finance Committee*
2 *established pursuant to Section 67353 shall authorize the*
3 *issuance of bonds under this chapter only to the extent necessary*
4 *to fund the apportionments for the purposes described in this*
5 *chapter that are expressly authorized by the Legislature in the*
6 *annual Budget Act. Pursuant to that legislative direction, the*
7 *committee shall determine whether or not it is necessary or*
8 *desirable to issue bonds authorized pursuant to this chapter in*
9 *order to carry out the purposes described in this chapter and, if*
10 *so, the amount of bonds to be issued and sold. Successive issues*
11 *of bonds may be authorized and sold to carry out those actions*
12 *progressively, and it is not necessary that all of the bonds*
13 *authorized to be issued be sold at any one time.*

14 102053. *There shall be collected each year and in the same*
15 *manner and at the same time as other state revenue is collected,*
16 *in addition to the ordinary revenues of the state, a sum in an*
17 *amount required to pay the principal of, and interest on, the*
18 *bonds each year. It is the duty of all officers charged by law with*
19 *any duty in regard to the collection of the revenue to do and*
20 *perform each and every act which is necessary to collect that*
21 *additional sum.*

22 102054. *Notwithstanding Section 13340 of the Government*
23 *Code, there is hereby appropriated from the General Fund in the*
24 *State Treasury, for the purposes of this chapter, an amount that*
25 *will equal the total of the following:*

26 (a) *The sum annually necessary to pay the principal of, and*
27 *interest on, bonds issued and sold pursuant to this chapter, as the*
28 *principal and interest become due and payable.*

29 (b) *The sum necessary to carry out Section 102057,*
30 *appropriated without regard to fiscal years.*

31 102055. *The board, as defined in subdivision (b) of Section*
32 *101051, may request the Pooled Money Investment Board to*
33 *make a loan from the Pooled Money Investment Account or any*
34 *other approved form of interim financing, in accordance with*
35 *Section 16312 of the Government Code, for the purpose of*
36 *carrying out this chapter. The amount of the request shall not*
37 *exceed the amount of the unsold bonds that the committee, by*
38 *resolution, has authorized to be sold for the purpose of carrying*
39 *out this chapter. The board, as defined in subdivision (b) of*
40 *Section 102051, shall execute any documents required by the*

1 *Pooled Money Investment Board to obtain and repay the loan.*
2 *Any amounts loaned shall be deposited in the fund to be*
3 *allocated by the board in accordance with this chapter.*

4 *102056. Notwithstanding any other provision of this chapter,*
5 *or of the State General Obligation Bond Law, if the Treasurer*
6 *sells bonds pursuant to this chapter that include a bond counsel*
7 *opinion to the effect that the interest on the bonds is excluded*
8 *from gross income for federal tax purposes, subject to designated*
9 *conditions, the Treasurer may maintain separate accounts for the*
10 *investment of bond proceeds and for the investment earnings on*
11 *those proceeds. The Treasurer may use or direct the use of those*
12 *proceeds or earnings to pay any rebate, penalty, or other*
13 *payment required under federal law or take any other action with*
14 *respect to the investment and use of those bond proceeds*
15 *required or desirable under federal law to maintain the*
16 *tax-exempt status of those bonds and to obtain any other*
17 *advantage under federal law on behalf of the funds of this state.*

18 *102057. (a) For the purposes of carrying out this chapter,*
19 *the Director of Finance may authorize the withdrawal from the*
20 *General Fund of an amount not to exceed the amount of the*
21 *unsold bonds that have been authorized by the Higher Education*
22 *Facilities Finance Committee to be sold for the purpose of*
23 *carrying out this chapter. Any amounts withdrawn shall be*
24 *deposited in the 2008 University Capital Outlay Bond Fund*
25 *consistent with this chapter. Any money made available under*
26 *this section shall be returned to the General Fund, plus an*
27 *amount equal to the interest that the money would have earned in*
28 *the Pooled Money Investment Account, from proceeds received*
29 *from the sale of bonds for the purpose of carrying out this*
30 *chapter.*

31 *(b) Any request forwarded to the Legislature and the*
32 *Department of Finance for funds from this bond issue for*
33 *expenditure for the purposes described in this chapter by the*
34 *University of California, the Hastings College of the Law, or the*
35 *California State University shall be accompanied by the five-year*
36 *capital outlay plan. Requests forwarded by a university or*
37 *college shall include a schedule that prioritizes the seismic*
38 *retrofitting needed to significantly reduce, in the judgment of the*
39 *particular university or college, seismic hazards in buildings*
40 *identified as high priority by the university or college.*

102058. All money deposited in the 2008 University Capital Outlay Bond Fund that is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

102059. The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state for the issuance of the bonds described in this chapter includes the approval of the issuance of any bonds issued to refund any bonds originally issued under this chapter or any previously issued refunding bonds.

102060. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not “proceeds of taxes” as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

SEC. 18. Section 65997 of the Government Code is amended to read:

65997. (a) The following provisions shall be the exclusive methods of mitigating environmental effects related to the adequacy of school facilities when considering the approval or the establishment of conditions for the approval of a development project, as defined in Section 17620 of the Education Code, pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code:

(1) Chapter 12 (commencing with Section 17000) of Part 10 of the Education Code, or Chapter 12.5 (commencing with Section 17070.10) of, Part 10 of the Education Code.

(2) Chapter 14 (commencing with Section 17085) of Part 10 of the Education Code.

(3) Chapter 18 (commencing with Section 17170) of Part 10 of the Education Code.

(4) Article 2.5 (commencing with Section 17430) of Chapter 4 of Part 10.5 of the Education Code.

(5) Section 17620 of the Education Code.

(6) Chapter 2.5 (commencing with Section 53311) of Division 2 of Title 5 of the Government Code.

(7) Chapter 4.7 (commencing with Section 65970) of Division 1 of Title 7 of the Government Code.

(b) A public agency may not, pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code or Division 2 (commencing with Section 66410) of this code, deny approval of a project on the basis of the adequacy of school facilities.

(c) (1) This section shall become operative on or after any statewide election in ~~2006~~ 2012, if a statewide general obligation bond measure submitted for voter approval in ~~2006~~ 2012 or thereafter that includes bond issuance authority to fund construction of kindergarten and grades 1 to 12, inclusive, public school facilities is submitted to the voters and fails to be approved.

(2) (A) This section shall become inoperative if subsequent to the failure of a general obligation bond measure described in paragraph (1) a statewide general bond measure as described in paragraph (1) is approved by the voters.

(B) Thereafter, this section shall become operative if a statewide general obligation bond measure submitted for voter approval that includes bond issuance authority to fund construction of kindergarten and grades 1 to 12, inclusive, public school facilities is submitted to the voters and fails to be approved and shall become inoperative if subsequent to the failure of the general obligation bond measure a statewide bond measure as described in this subparagraph is approved by the voters.

(d) Notwithstanding any other provision of law, a public agency may deny or refuse to approve a legislative act involving, but not limited to, the planning, use, or development of real property, on the basis that school facilities are inadequate, except that a public agency may not require the payment or satisfaction of a fee, charge, dedication, or other financial requirement in excess of that levied or imposed pursuant to Section 65995 and, if applicable, any amounts specified in Sections 65995.5 or 65995.7.

SEC. 19. Section 4 of Chapter 421 of the Statutes of 2001 is amended to read:

Sec. 4. This act shall remain in effect only until January 1, ~~2007~~ 2010, and as of that date is repealed, unless a later enacted

1 statute, that is enacted before January 1, ~~2007~~ 2010, deletes or
2 extends that date.

3 *SEC. 20. Section 4 of Chapter 637 of the Statutes of 2002 is*
4 *amended to read:*

5 *Sec. 4. This act shall remain in effect only until January 1,*
6 *2008 2011, and as of that date is repealed, unless a later enacted*
7 *statute, that is enacted before January 1, 2008 2011, deletes or*
8 *extends that date.*

9 *SEC. 21. (a) Up to twenty-one million dollars (\$21,000,000)*
10 *of any funds that are required to be made available for*
11 *rehabilitation or construction of joint-use facilities for public*
12 *schools and that result or are derived from the sale of bonds*
13 *issued on or before January 1, 2006, shall be transferred to the*
14 *State Allocation Board and may be apportioned by that board for*
15 *the purposes of Article 10.6 (commencing with Section 17077.40)*
16 *of Chapter 12.5 of Part 10 of the Education Code.*

17 *(b) Any funds remaining after the transfer required under*
18 *subdivision (a) that conform to the description set forth in that*
19 *subdivision shall be transferred to the State Allocation Board*
20 *and may be apportioned by that board for any of the purposes of*
21 *Chapter 12.5 (commencing with Section 17070.10) of Part 10 of*
22 *the Education Code.*

23 *SEC. 22. Notwithstanding the requirements of Sections 9040,*
24 *9043, 9044, 9061, and 9082 of the Elections Code or any other*
25 *provision of law, the Secretary of State shall submit Sections 16*
26 *and 21 of this act to the voters at the June 6, 2006, statewide*
27 *primary election.*

28 *SEC. 22.5. Notwithstanding Sections 13115 and 13117 of the*
29 *Elections Code, Sections 16 and 21 shall be placed first on the*
30 *ballot for the June 6, 2006, statewide primary election and shall*
31 *be designated as Proposition 1A.*

32 *SEC. 23. (a) Where voting in the election is done by means of*
33 *voting machines used pursuant to law in a manner that carries*
34 *out the intent of Section 25, the use of the voting machines and*
35 *the expression of the voters' choice by means thereof are in*
36 *compliance with Section 25.*

37 *(b) Notwithstanding Section 13282 of the Election Code, the*
38 *public shall be permitted to examine the condensed statements of*
39 *the ballot title for the bond act contained in Sections 16 and 21 of*
40 *this act for not more than three days. Any voter may seek a writ*

1 of mandate for the purpose of requiring any statement of either
2 ballot title, or portion thereof, to be amended or deleted only
3 within that period.

4 SEC. 24. (a) The Secretary of State shall include, in the
5 ballot pamphlets mailed pursuant to Section 9094 of the
6 Elections Code, the information specified in Section 9084 of the
7 Elections Code regarding the bond act contained in Sections 16
8 and 21 of this act.

9 (b) If that inclusion is not possible, the Secretary of State shall
10 publish a supplemental ballot pamphlet regarding the bond act
11 contained in Sections 16 and 21 of this act to be mailed with the
12 ballot pamphlet. If the supplemental ballot pamphlet cannot be
13 mailed with the ballot pamphlet, the supplemental ballot
14 pamphlet shall be mailed separately.

15 SEC. 25. Notwithstanding any other provision of law, with
16 respect to the Kindergarten-University Public Education
17 Facilities Bond Act of 2006, as set forth in Section 16 of this act,
18 all ballots of the June 6, 2006, statewide primary election, shall
19 have printed thereon and in a square thereof, exclusively the
20 words: "Kindergarten-University Public Education Facilities
21 Bond Act of 2006" and in the same square under those words,
22 the following in 8-point type:

23 "This ten billion four hundred sixteen million dollar
24 (\$10,416,000,000) bond issue will provide funding for necessary
25 education facilities to relieve overcrowding and to repair older
26 schools. Funds will be targeted to areas of the greatest need and
27 must be spent according to strict accountability measures. Funds
28 will also be used to upgrade and build new classrooms in the
29 California Community Colleges, the California State University,
30 and the University of California, to provide adequate higher
31 education facilities to accommodate the growing student
32 enrollment. These bonds may be used only for eligible projects."

33 Opposite the square, there shall be left spaces in which the
34 voters may place a cross in the manner required by law to
35 indicate whether they vote for or against the act.

36 SEC. 26. Notwithstanding Sections 13247 and 13281 of the
37 Elections Code, the language in Section 25 shall be the only
38 language included in the ballot label for the condensed statement
39 of the ballot title, and the Attorney General shall not supplement,
40 subtract from, or revise that language, except that the Attorney

1 *General may include the financial impact summary prepared*
2 *pursuant to Section 9087 of the Elections Code and Section*
3 *88003 of the Government Code. The ballot label is the condensed*
4 *statement of the ballot title and the financial impact summary.*

5 *SEC. 27. The provisions of this act are severable. If any*
6 *provision of this act or its application is held invalid, that*
7 *invalidity shall not affect other provisions or applications that*
8 *can be given effect without the invalid provision or application.*

9 *SEC. 28. Sections 1 to 15, inclusive, and Sections 19 and 20*
10 *of this act shall become operative only if the voters approve the*
11 *Kindergarten-University Public Education Facilities Bond Act of*
12 *2006, as set forth in Section 16 of this act.*

13 *SEC. 29. Section 17 of this act shall become effective only*
14 *upon approval by the voters at the November 4, 2008, statewide*
15 *general election of the Kindergarten-University Public*
16 *Education Facilities Bond Act of 2008, as set forth in that*
17 *section.*

18 *SEC. 30. Notwithstanding any other provision of law, with*
19 *respect to the Kindergarten-University Public Education*
20 *Facilities Bond Act of 2008, as set forth in Section 17 of this act,*
21 *all ballots of the November 4, 2008, statewide general election,*
22 *shall have printed thereon and in a square thereof, exclusively*
23 *the words: "Kindergarten-University Public Education Facilities*
24 *Bond Act of 2008" and in the same square under those words,*
25 *the following in 8-point type:*

26 *"This nine billion eighty-seven million dollar (\$9,087,000,000)*
27 *bond issue will provide funding for necessary education facilities*
28 *to relieve overcrowding and to repair older schools. Funds will*
29 *be targeted to areas of the greatest need and must be spent*
30 *according to strict accountability measures. Funds will also be*
31 *used to upgrade and build new classrooms in the California*
32 *Community Colleges, the California State University, and the*
33 *University of California, to provide adequate higher education*
34 *facilities to accommodate the growing student enrollment. These*
35 *bonds may be used only for eligible projects."*

36 *Opposite the square, there shall be left spaces in which the*
37 *voters may place a cross in the manner required by law to*
38 *indicate whether they vote for or against the act.*

39 *SEC. 31. This act is an urgency statute necessary for the*
40 *immediate preservation of the public peace, health, or safety*

1 *within the meaning of Article IV of the Constitution and shall go*
2 *into immediate effect. The facts constituting the necessity are:*

3 *In order to ensure, at the earliest possible time, that the*
4 *electorate is provided with the opportunity to vote on the*
5 *financing of necessary educational facilities at the June 6, 2006,*
6 *statewide primary election, including related statutory changes,*
7 *it is necessary that this act take effect immediately.*

8 ~~SECTION 1. (a) The Controller shall identify the fee revenue~~
9 ~~in the Waste Discharge Permit Fund established by Section~~
10 ~~13260 of the Water Code, and of those moneys, the sum of four~~
11 ~~million five hundred thousand dollars (\$4,500,000) is hereby~~
12 ~~appropriated to the State Water Resources Control Board to carry~~
13 ~~out the national pollutant discharge elimination system (NPDES)~~
14 ~~permit program in accordance with Division 7 (commencing with~~
15 ~~Section 13000) of the Water Code.~~

16 ~~(b) Nothing in this act shall result in an increase in fees paid~~
17 ~~by waste dischargers into the Water Discharge Permit Fund over~~
18 ~~the amount paid by waste dischargers during the 2004-05 fiscal~~
19 ~~year.~~

20 ~~SEC. 2. Section 711.4 of the Fish and Game Code is amended~~
21 ~~to read:~~

22 ~~711.4. (a) The department shall impose and collect a filing~~
23 ~~fee in the amount prescribed in subdivision (d) to defray the costs~~
24 ~~of managing and protecting fish and wildlife trust resources,~~
25 ~~including, but not limited to, consulting with other public~~
26 ~~agencies, reviewing environmental documents, recommending~~
27 ~~mitigation measures, developing monitoring requirements for~~
28 ~~purposes of the California Environmental Quality Act (Division~~
29 ~~13 (commencing with Section 21000) of the Public Resources~~
30 ~~Code), consulting pursuant to Section 21104.2 of the Public~~
31 ~~Resources Code, and other activities protecting those trust~~
32 ~~resources identified in the review pursuant to the California~~
33 ~~Environmental Quality Act.~~

34 ~~(b) The filing fees shall be proportional to the cost incurred by~~
35 ~~the department. The department shall adjust the fees annually~~
36 ~~pursuant to Section 713.~~

37 ~~(c) (1) All project applicants and public agencies subject to~~
38 ~~the California Environmental Quality Act shall pay a filing fee~~
39 ~~for each proposed project.~~

~~(2) Notwithstanding paragraph (1), no filing fee shall be paid pursuant to this section if the lead or certified regulatory program agency finds, and the department concurs, that the project is either of the following:~~

~~(A) Categorically or statutorily exempt from the California Environmental Quality Act or a certified regulatory program.~~

~~(B) De minimis in its effect on fish and wildlife.~~

~~(3) Notwithstanding paragraph (1), no filing fee shall be paid pursuant to this section if all the following conditions exist:~~

~~(A) The project is being undertaken by the department.~~

~~(B) The project costs are payable from any of the following sources:~~

~~(i) The Public Resources Account in the Cigarette and Tobacco Products Surtax Fund.~~

~~(ii) The California Wildlife, Coastal, and Park Land Conservation Fund of 1988.~~

~~(iii) The Habitat Conservation Fund.~~

~~(iv) The Fisheries Restoration Account in the Fish and Game Preservation Fund.~~

~~(v) The Commercial Salmon Stamp Account in the Fish and Game Preservation Fund.~~

~~(vi) Striped bass stamp funds collected pursuant to Section 7360.~~

~~(C) The project is implemented through a contract with either a nonprofit entity or a local government agency.~~

~~(4) The filing fee shall be paid at the time and in the amount specified in subdivision (d). Notwithstanding Sections 21080.5 and 21081 of the Public Resources Code, no project shall be operative, vested, or final until the filing fees required pursuant to this section are paid.~~

~~(d) The fees shall be in the following amounts:~~

~~(1) The department shall charge a fee for each filing, in an amount not to exceed the actual handling costs for each project, except as provided in paragraph (2) of subdivision (e).~~

~~(2) For a project for which a negative declaration is prepared pursuant to subdivision (e) of Section 21080 of the Public Resources Code, the filing fee is one thousand two hundred fifty dollars (\$1,250). The filing fee shall be paid to the county clerk at the time of filing a notice of determination pursuant to Section 21152 of that code or to the Office of Planning and Research at~~

1 the time of filing a notice of determination pursuant to Section
2 21108 of that code, as appropriate.

3 (3) For a project with an environmental impact report prepared
4 pursuant to the California Environmental Quality Act, the filing
5 fee is eight hundred fifty dollars (\$850). The filing fee shall be
6 paid to the county clerk at the time of filing a notice of
7 determination pursuant to Section 21152 of the Public Resources
8 Code or to the Office of Planning and Research at the time of
9 filing a notice of determination pursuant to Section 21108 of that
10 code.

11 (4) For a project which is subject to a certified regulatory
12 program pursuant to Section 21080.5 of the Public Resources
13 Code, the filing fee is eight hundred fifty dollars (\$850). The
14 filing fee shall be paid to the Secretary of the Resources Agency
15 upon filing of the notice of determination pursuant to Section
16 21080.5 of that code. If the filing fee is to be paid by the state
17 lead agency, the payment shall be made pursuant to a
18 memorandum of understanding with the department.

19 (e) The county clerk may charge a document handling fee for
20 each filing, in an amount not to exceed the actual handling costs;
21 in addition to the filing fee specified in subdivision (d).

22 (1) The county clerk of each county and the Office of Planning
23 and Research shall maintain a record of all environmental
24 documents received. The record shall include, for each
25 environmental document received, the name of each applicant or
26 lead agency, the document filing number, and the filing date. The
27 record shall be made available for examination or audit by
28 authorized personnel of the department during normal business
29 hours.

30 (2) The filing fee imposed and collected pursuant to
31 subdivision (d) shall be remitted monthly to the department
32 within 30 days after the end of each month. The amount of fees
33 due shall be reported on forms prescribed and provided by the
34 department.

35 (3) The department shall assess a penalty of 10 percent of the
36 amount of fees due for any failure to remit the amount payable
37 when due. The department may pursue collection of delinquent
38 fees through the Controller's office pursuant to Section 12419.5
39 of the Government Code.

1 (f) Notwithstanding Section 12000, failure to pay the fee under
2 subdivision (d) is not a misdemeanor. All unpaid fees are a
3 statutory assessment subject to collection under procedures as
4 provided in the Revenue and Taxation Code.

5 (g) Only one filing fee shall be paid for each project unless the
6 project is tiered or phased, and separate environmental
7 documents or review by the department is required.

8 (h) This section does not preclude or modify the duty of the
9 department to recommend, require, permit, or engage in
10 mitigation activities pursuant to the California Environmental
11 Quality Act.

12 (i) The permit process of the California Coastal Commission,
13 as certified by the Secretary of the Resources Agency, is exempt
14 from the payment of the filing fees prescribed by paragraph (4)
15 of subdivision (d) insofar as the permits are issued under any of
16 the following regulations:

17 (1) Subchapter 4 (commencing with Section 13136) of
18 Chapter 5 of Division 5.5 of Title 14 of the California Code of
19 Regulations.

20 (2) Subchapter 1 (commencing with Section 13200),
21 Subchapter 3 (commencing with Section 13213), Subchapter 3.5
22 (commencing with Section 13214), Subchapter 4 (commencing
23 with Section 13215), Subchapter 4.5 (commencing with Section
24 13238), Subchapter 5 (commencing with Section 13240),
25 Subchapter 6 (commencing with Section 13250), and Subchapter
26 8 (commencing with Section 13255) of Chapter 6 of Division 5.5
27 of Title 14 of the California Code of Regulations.

28 (j) The fees set forth in paragraphs (2), (3), and (4) of
29 subdivision (d) shall remain in effect until the Legislature adopts
30 an alternative fee schedule. On or before March 1, 2006, the
31 department shall propose to the Legislature revisions to the fee
32 schedule that reasonably categorize the projects that are subject
33 to its review and determine a fee for each category so that the
34 total revenues collected annually cover the department's full
35 costs as specified in subdivision (a).

36 SEC. 3. Section 7716 is added to the Fish and Game Code, to
37 read:

38 7716. Not later than January 1, 2007, the department shall
39 prepare and submit to the Legislature a proposed plan to change
40 the imposition of landing taxes as required by Section 8041 to a

1 uniform ad valorem rate applied to all species of fish landed in
2 this state. The plan shall include all of the following elements:

3 (a) A recommended ad valorem rate that generates the same
4 level of total tax revenue as the current tax rate schedule.

5 (b) Mechanisms necessary to administer the tax rate.

6 (c) A process to waive a portion of the landing taxes for any
7 fish species if the specific fishing industry is undertaking, or is
8 contributing to, a department-approved research or data
9 collection program in support of the development or
10 implementation of a fishery management plan for that species.

11 (d) A funding recommendation that directs landing tax
12 revenue to the fishery management responsibilities of the
13 department.

14 SEC. 4. Section 7718 is added to the Fish and Game Code, to
15 read:

16 7718. The department shall periodically review and either
17 revise, or recommend revisions of, license fees, permit fees, and
18 registration fees authorized by or imposed pursuant to this part.
19 The purpose of the department's review is to ensure that license,
20 permit, and registration fees collect, to the extent practicable, an
21 amount equal to the department's costs associated with its
22 issuance of licenses, permits, and registrations and to its
23 oversight of permitted activities.

24 SEC. 5. Section 8043 of the Fish and Game Code is amended
25 to read:

26 8043. (a) Every commercial fisherman who sells or delivers
27 fish that he or she has taken to any person who is not licensed
28 under Article 7 (commencing with Section 8030), and every
29 person who is required to be licensed under Article 7
30 (commencing with Section 8030) to conduct the activities of a
31 fish receiver, as described in Section 8033, shall make a legible
32 landing receipt record on a form to be furnished by the
33 department. The landing receipt shall be completed at the time of
34 the receipt, purchase, or transfer of fish, whichever occurs first.

35 (b) The landing receipt shall show all of the following:

36 (1) The accurate weight of the species of fish received, as
37 designated pursuant to Section 8045. Sablefish may be reported
38 in dressed weight, and if so reported, shall have the round
39 weights computed, for purposes of management quotas, by
40 multiplying 1.6 times the reported dressed weight.

~~(2) The name of the fisherman and the fisherman's identification number.~~

~~(3) The department registration number of the boat.~~

~~(4) The recipient's name and identification number, if applicable.~~

~~(5) The date of receipt.~~

~~(6) The price paid or a best estimate of the price to be paid.~~

~~(7) The department origin block number where the fish were caught.~~

~~(8) The type of gear used.~~

~~(9) Any other information the department may prescribe.~~

~~(e) The numbered landing receipt forms in each individual landing receipt book shall be completed sequentially. A voided fish landing receipt shall have the word "VOID" plainly and noticeably written on the face of the receipt. A voided fish landing receipt shall be submitted to the department in the same manner as a completed fish landing receipt is submitted to the department. A fish receiver who is no longer conducting business as a licensed receiver shall forward all unused landing receipts and landing receipt books to the department immediately upon terminating his or her business activity.~~

~~SEC. 6. Section 8053 of the Fish and Game Code is amended to read:~~

~~8053. (a) Landing taxes imposed by this article shall be paid quarterly to the department within 30 days after the close of each quarter. A report shall be submitted along with the tax payment reporting the total number of pounds of each species of fish delivered or landed, the average price per pound paid or received for fish landed, and the amount of tax due for each species of fish.~~

~~(b) If any landing tax is not paid within 30 days after the close of the quarter for which it is due, the department shall collect amounts owing under the procedures prescribed for sales and use taxes provided in Chapter 5 (commencing with Section 6451) and Chapter 6 (commencing with Section 6701) of Part 1 of Division 2 of the Revenue and Taxation Code, insofar as they may be applicable, and for those purposes, "board" means the department and "the date on which the tax became due and payable" means that date 30 days after the close of the quarter for which it is due.~~

1 ~~SEC. 7. Section 15003 of the Fish and Game Code is~~
2 ~~amended to read:~~

3 ~~15003. (a) The department shall assess a fee on persons~~
4 ~~growing aquaculture products on public lands and in public~~
5 ~~waters based on the price per pound of the products sold. The fee~~
6 ~~shall be set for each species at the same rate for that species as~~
7 ~~determined pursuant to Section 8042.~~

8 ~~(b) The price per pound for these fee purposes shall be based~~
9 ~~on the whole product weight or its equivalent as taken by the~~
10 ~~lessee.~~

11 ~~(c) The fee imposed by this section shall be paid quarterly and~~
12 ~~be subject to the reporting requirements imposed in Section~~
13 ~~8053. If the fee is not paid within 60 days of the due date, a 10~~
14 ~~percent penalty shall be paid.~~

15 ~~SEC. 8. Section 42889 of the Public Resources Code, as~~
16 ~~amended by Section 14 of Chapter 707 of the Statutes of 2004, is~~
17 ~~amended to read:~~

18 ~~42889. (a) Commencing January 1, 2005, of the moneys~~
19 ~~collected pursuant to Section 42885, an amount equal to~~
20 ~~seventy-five cents (\$0.75) per tire on which the fee is imposed~~
21 ~~shall be transferred by the State Board of Equalization to the Air~~
22 ~~Pollution Control Fund. The state board shall expend those~~
23 ~~moneys, or allocate those moneys to the districts for expenditure,~~
24 ~~to fund programs and projects that mitigate or remediate air~~
25 ~~pollution caused by tires in the state, to the extent that the state~~
26 ~~board or the applicable district determines that the program or~~
27 ~~project remediates air pollution harms created by tires upon~~
28 ~~which the fee described in Section 42885 is imposed.~~

29 ~~(b) The remaining moneys collected pursuant to Section 42885~~
30 ~~shall be used to fund the waste tire program, and shall be~~
31 ~~appropriated to the board in the annual Budget Act in a manner~~
32 ~~consistent with the five-year plan adopted and updated by the~~
33 ~~board. These moneys shall be expended for the payment of~~
34 ~~refunds under this chapter and for the following purposes:~~

35 ~~(1) To pay the administrative overhead cost of this chapter, not~~
36 ~~to exceed 6 percent of the total revenue deposited in the fund~~
37 ~~annually, or an amount otherwise specified in the annual Budget~~
38 ~~Act.~~

39 ~~(2) To pay the costs of administration associated with~~
40 ~~collection, making refunds, and auditing revenues in the fund,~~

1 not to exceed 3 percent of the total revenue deposited in the fund,
2 as provided in subdivision (b) of Section 42885.

3 ~~(3) To pay the costs associated with operating the tire~~
4 ~~recycling program specified in Article 3 (commencing with~~
5 ~~Section 42870).~~

6 ~~(4) To pay the costs associated with the development and~~
7 ~~enforcement of regulations relating to the storage of waste tires~~
8 ~~and used tires. The board shall consider designating a city,~~
9 ~~county, or city and county as the enforcement authority of~~
10 ~~regulations relating to the storage of waste tires and used tires, as~~
11 ~~provided in subdivision (c) of Section 42850. If the board~~
12 ~~designates a local entity for that purpose, the board shall provide~~
13 ~~sufficient, stable, and noncompetitive funding to that entity for~~
14 ~~that purpose, based on available resources, as provided in the~~
15 ~~five-year plan adopted and updated as provided in subdivision (a)~~
16 ~~of Section 42855.5. The board may consider and create, as~~
17 ~~appropriate, financial incentives for citizens who report the~~
18 ~~illegal hauling or disposal of waste tires as a means of enhancing~~
19 ~~local and statewide waste tire and used tire enforcement~~
20 ~~programs.~~

21 ~~(5) To pay the costs of cleanup, abatement, removal, or other~~
22 ~~remedial action related to waste tire stockpiles throughout the~~
23 ~~state, including all approved costs incurred by other public~~
24 ~~agencies involved in these activities by contract with the board.~~
25 ~~Not less than six million five hundred thousand dollars~~
26 ~~(\$6,500,000) shall be expended by the board during each of the~~
27 ~~following fiscal years for this purpose: 2001-02 to 2006-07,~~
28 ~~inclusive.~~

29 ~~(6) To make studies and conduct research directed at~~
30 ~~promoting and developing alternatives to the landfill disposal of~~
31 ~~waste tires.~~

32 ~~(7) To assist in developing markets and new technologies for~~
33 ~~used tires and waste tires. The board's expenditure of funds for~~
34 ~~purposes of this subdivision shall reflect the priorities for waste~~
35 ~~management practices specified in subdivision (a) of Section~~
36 ~~40051.~~

37 ~~(8) To pay the costs associated with implementing and~~
38 ~~operating a waste tire and used tire hauler program and manifest~~
39 ~~system pursuant to Chapter 19 (commencing with Section~~
40 ~~42950).~~

1 ~~(9) To pay the costs to create and maintain an emergency~~
2 ~~reserve, which shall not exceed one million dollars (\$1,000,000):~~

3 ~~(10) To pay the costs of cleanup, abatement, or other remedial~~
4 ~~action related to the disposal of waste tires in implementing and~~
5 ~~operating the Farm and Ranch Solid Waste Cleanup and~~
6 ~~Abatement Grant Program established pursuant to Chapter 2.5~~
7 ~~(commencing with Section 48100) of Part 7.~~

8 ~~(c) This section shall remain in effect only until January 1,~~
9 ~~2015, and as of that date is repealed, unless a later enacted~~
10 ~~statute, that is enacted before January 1, 2015, deletes or extends~~
11 ~~that date.~~